

SENATE

TUESDAY, MARCH 21, 1944

(Legislative day of Monday, February 7, 1944)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. Edwin T. Dahlberg, D. D., minister, First Baptist Church, Syracuse, N. Y., offered the following prayer:

Almighty and Eternal God, we thank Thee that Thou hast given to us the privilege of living today another 24 hours in Thy beautiful world, a world so beautiful that sometimes we feel that we can reach out our hands and touch Thy face, but a world so sinful that it stoned the prophets and crucified our blessed Lord. Because one day in Thy sight can be as a thousand years, we pray Thee that before the sun goes down this day Thou wilt advance us centuries of time toward the goals and objectives of the kingdom of God, and hasten the day when the kingdoms of this world shall become the kingdom of our Lord and of His Christ.

While we pray for all mankind, we pray most of all for that dear part of the earth that we call our native land. Whether it be the President in the White House or the wounded soldier on the battlefield thinking of the little house beneath the elms where he was born, gather all Thy children, we pray Thee, into the fold of Thine embrace. Establish our churches, we beseech Thee, in Christian faith and freedom, our schools in truth and learning, our industries in righteousness of relationship between capital and labor, our homes in tranquillity and affection, our statesmanship in wisdom and integrity.

Bless these Thy servants of the United States Senate, O God. May their judgments be true and righteous altogether; and speed the day when the oceans that wash the shores of our land shall make a sweeter music than before—the music of ships turning again home; of nations whose warfare is accomplished, and of Thine own voice within our souls saying, "Comfort ye, comfort ye, my people, saith your God."

We ask it through Jesus Christ. Amen.

THE JOURNAL

On request of Mr. McKELLAR, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Monday, March 20, 1944, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. McKELLAR. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Alken	Bone	Capper
Andrews	Brewster	Clark, Idaho
Austin	Brooks	Clark, Mo.
Bailey	Buck	Connally
Ball	Burton	Danaher
Bankhead	Bushfield	Davis
Barkley	Byrd	Downey

Eastland	McClellan	Thomas, Utah
Ellender	McFarland	Truman
Ferguson	McKellar	Tunnell
George	Maybank	Tydings
Gerry	Millikin	Vandenberg
Gillette	Murray	Walsh, Mass.
Green	O'Mahoney	Walsh, N. J.
Guffey	Overton	Weeks
Hawkes	Radcliffe	Wheeler
Hayden	Revercomb	Wherry
Hill	Robertson	White
Holman	Russell	Wiley
Kilgore	Shipstead	Willis
La Follette	Stewart	Wilson
Langer	Taft	
McCarran	Thomas, Idaho	

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] and the Senator from South Carolina [Mr. SMITH] are absent from the Senate because of illness.

The Senator from Indiana [Mr. JACKSON] and the Senator from Washington [Mr. WALLGREN] are absent on official business.

The Senator from Mississippi [Mr. BILEO], the Senator from Arkansas [Mrs. CARAWAY], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Colorado [Mr. JOHNSON], the Senator from Illinois [Mr. LUCAS], the Senator from Connecticut [Mr. MALONEY], the Senator from New York [Mr. MEAD], the Senator from Florida [Mr. PEPPER], the Senator from Oklahoma [Mr. THOMAS] are detained on public business.

The Senator from Kentucky [Mr. CHANDLER], the Senator from Utah [Mr. MURDOCK], the Senator from Texas [Mr. O'DANIEL], the Senator from North Carolina [Mr. REYNOLDS], the Senator from Nevada [Mr. SCRUGHAM], and the Senator from New York [Mr. WAGNER] are necessarily absent.

The Senator from New Mexico [Mr. HATCH] is leaving for New Mexico tonight and is transacting business in Government departments.

Mr. WHERRY. The Senator from New Hampshire [Mr. BRIDGES], the Senator from Nebraska [Mr. BUTLER], the Senator from Oregon [Mr. CORDON], the Senator from South Dakota [Mr. GURNEY], the Senator from Oklahoma [Mr. MOORE], the Senator from North Dakota [Mr. NYE], and the Senator from Kansas [Mr. REED] are necessarily absent.

The Senator from New Hampshire [Mr. TOBEY] is absent on public matters.

The VICE PRESIDENT. Sixty-seven Senators have answered to their names. A quorum is present.

SPECIAL COMMITTEES ON CONSERVATION OF WILDLIFE RESOURCES AND POST-WAR ECONOMIC POLICY AND PLANNING

The VICE PRESIDENT. The Chair appoints the Senator from North Dakota [Mr. NYE] and the Senator from Michigan [Mr. FERGUSON] as members of the Special Committee on Conservation of Wildlife Resources, to fill the existing vacancies thereon; and also appoints the Senator from New Jersey [Mr. HAWKES] as a member of the Special Committee on Post-War Economic Policy and Planning, to fill the vacancy created by the death of Hon. Charles L. McNary, late a Senator from the State of Oregon.

JOINT RESOLUTION OF GENERAL ASSEMBLY OF RHODE ISLAND—EXTENSION OF TIME FOR FILING INCOME-TAX RETURNS

Mr. GREEN presented a joint resolution of the General Assembly of Rhode Island, which was referred to the Committee on Finance, as follows:

House Joint Resolution 826

Joint resolution requesting the Senators and Representatives from Rhode Island in the Congress of the United States, the Commissioner of Internal Revenue, and the Collector of Internal Revenue for the State of Rhode Island, to move to institute an extension of time until the 1st of April 1944, for the filing of income-tax forms

Whereas there are now available a limited number of tax experts and advisers and the number of persons from Rhode Island required to file income-tax returns has greatly increased this present year; and

Whereas an extension of the date for the filing of income-tax forms would be beneficial to the filer and to the Federal employees who are now greatly overtaxed with the monument of business: Now, therefore, be it

Resolved, That the final filing date for the year 1944 of income-tax forms be advanced to the 1st of April 1944, and the Senators and Representatives from Rhode Island in the Congress of the United States, the Commissioner of Internal Revenue, and the collector of internal revenue for the State of Rhode Island are hereby urgently requested to give this matter immediate attention to expedite this requested action; and be it, further

Resolved, That duly certified copies of this resolution be transmitted by the secretary of State to the Senators and Representatives from Rhode Island in the Congress of the United States, to the Commissioner of Internal Revenue, and to the Collector of Internal Revenue for the State of Rhode Island.

PROHIBITION OF LIQUOR SALES AROUND MILITARY CAMPS—PETITION

Mr. CAPPER. Mr. President, I have received a petition from members of the churches of Mitchell County, Kans. I ask that the petition calling for the passage of Senate bill 860, to provide for the common defense in relation to the sale of alcoholic liquors to the members of the land and naval forces of the United States, be appropriately referred and printed in the RECORD without all the signatures attached.

There being no objection, the petition was referred to the Committee on Military Affairs and ordered to be printed in the RECORD without all the signatures attached, as follows:

Whereas there are millions of people in the world hungry for bread; and

Whereas there are millions of lives being cursed by alcoholic beverages; and

Whereas the conservation of all energy, the best intelligence, clear reasoning, and righteousness are needed in this time of crisis: Therefore be it

Resolved, That we recommend to the Congress and the President of the United States of America, that legislation be enacted immediately diverting all grains and fruits now used for the manufacture of all distilled, fermented, and malt beverages to the manufacture of bread and the preserving of fruit juices for food, and convert all plants now used for the manufacture of liquors and malt beverages to the manufacture of materials for the good of man and not for the curse of man, with adequate provisions for the

compensation of the owners of such plants and the enforcement of such legislation; further be it

Resolved, That an immediate passage of the Senate bill No. 860 be enacted.

The undersigned members of the churches of Walnut Township, Mitchell County, Kans., heartily endorse the above resolution: Rev. Ludlow Corbin, Northbranch, Kans.; Mrs. Ruth Corbin, Northbranch, Kans.; Roy W. Clark, Northbranch, Kans., and sundry other citizens of Mitchell County, Kans.

DEFERMENTS IN ESSENTIAL INDUSTRY— PETITION RELATING TO FARM LABOR

Mr. WHERRY. Mr. President, much has been said in the last few days relative to deferments in essential industry. In the press of yesterday there was a statement from the Director of Rubber Production. It will be impossible to take from his department men who are needed there and at the same time enable the department to maintain rubber production.

We have also heard the statement of other directors of war production that in the drive being made to take men between 18 and 26 years of age, if we wish to have full production we must proceed with care.

I should like to call attention to the fact that in my State there is a large farming industry. Eighty percent of our industry in Nebraska is farming. Farmers are very apprehensive of whether or not they will have the necessary labor to harvest the crops which are now being planted. All of us believe there should be taken every available man who can be spared, of course, for the military service, as has been requested by the Commander in Chief and by General Hershey. However, at the same time, we wish to call the attention of the Members of the Senate, and of the public generally, to the fact that to take irreplaceable men out of the farming industry will be to rob an essential industry of its ability to produce food. Food is just as necessary in the war effort as are munitions or machines which are used at the front line.

Mr. President, I ask unanimous consent to have printed in the *Record* and appropriately referred a petition which came to me from a number of farmers of Richardson County, Nebr., and which sets out in detail the allegations which confirm the statements I have just made. I think the petition will be of information to the Members of the Senate.

There being no objection, the petition was referred to the Committee on Military Affairs and ordered to be printed in the *Record*, as follows:

We the undersigned farmers actively engaged in the occupation of agriculture in Richardson County, Nebr., do hereby urgently petition our United States Senators to make an intercession for us to protest and seek the repeal of the recent order which will take from the farms all men between the ages of 18 and 26 years of age, for the following reasons:

1. A most pronounced shortage of farm workers already exists upon the farms in the agricultural areas of the Middle West.

2. Agriculture has already been asked to produce more crops and livestock in the year of 1944 to feed the United States and her allies, and we as farmers certainly cannot be expected to produce more with less help.

3. That the farms have already been virtually stripped of any men that could be sacrificed.

4. That it is virtually impossible to secure farm machinery at the present time to replace that which is constantly wearing out, and therefore every worker on the farm is urgently needed to assist in the present crop season.

5. That the continued drafting of farm labor in the past resulted in such a catastrophe that the Government itself took the initiative and deferred farm workers, and if any other farm workers are taken from farms that have yielded up all the men that they could sacrifice in the past a definite and pronounced crisis will result upon the farms in the Middle West.

6. That with the present crop season approaching, this certainly is the most illogical time to attempt to drain the farms of these workers that are attempting to care for the coming crop.

7. That food is realized as being as important to the war effort as bullets themselves and unless a bumper crop of livestock and crops are produced in the year of 1944 a serious food shortage will inevitably result, which will prolong the war, rather than shorten it.

Lloyd Sailors, John H. Buchholz, Cleon Sailors, Roy C. Davis, Lee Roy Slagle, Delbert Howard, Jim Bowers, John Sailors, Ervin Powell, Elmer Shafer, John I. Koso, Earl E. Clark, Perry Palmer, John Knobbe, Arthur Kirkendall, Melvin H. Martin, Lloyd Birdsley, L. F. Palmer.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. WALSH of Massachusetts, from the Committee on Naval Affairs:

S. 1708. A bill to amend section 12 of the Pay Readjustment Act of June 16, 1942, relating to travel allowances; without amendment (Rept. No. 756);

S. 1714. A bill to reimburse certain Coast and Geodetic Survey and Marine Corps personnel for personal property lost or damaged as the result of a fire at the marine barracks, Quantico, Va., on December 16, 1943; without amendment (Rept. No. 757);

S. 1720. A bill to vest title to the U. S. S. *Wolverine* (ex-Michigan) in the Foundation for the Original United States Ship Michigan, Inc.; without amendment (Rept. No. 758);

S. 1741. A bill to provide for the reimbursement of certain Navy and civilian personnel for personal property lost as the result of a fire in hangar V-3 at the naval air station, Norfolk, Va., on November 12, 1942; without amendment (Rept. No. 759);

S. 1771. A bill authorizing appropriations for the United States Navy for additional ordnance manufacturing and production facilities, and for other purposes; without amendment (Rept. No. 760);

S. 1772. A bill to authorize Lewis Hobart Kenney, Charles Garner, Charles Clement Goodman, and Henry Charles Robinson to accept decorations and orders tendered them by the Government of the United States of Brazil; without amendment (Rept. No. 761);

H. R. 2337. A bill for the relief of John Joseph Defeo; without amendment (Rept. No. 762); and

H. R. 3247. A bill for the relief of Joseph Langhorne Walker; without amendment (Rept. No. 763).

By Mr. BILBO, from the Committee on the District of Columbia:

S. 1757. A bill to amend an act entitled "An act to fix the salaries of officers and members of the Metropolitan Police force and the Fire Department of the District of Columbia"; with amendments (Rept. No. 764).

By Mr. BARKLEY, from the Committee on the Library:

S. Con. Res. 39. Concurrent resolution to provide for appropriate commemoration of the Centennial of the Telegraph on May 24, 1944; without amendment, and, under the rule, the resolution was referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

REPORTS ON DISPOSITION OF EXECUTIVE PAPERS

Mr. BARKLEY, from the Joint Select Committee on the Disposition of Executive Papers, to which were referred for examination and recommendation two lists of records transmitted to the Senate by the Archivist of the United States that appeared to have no permanent value or historical interest, submitted reports thereon pursuant to law.

ENROLLED BILL PRESENTED

Mr. TRUMAN (for Mrs. CARAWAY), from the Committee on Enrolled Bills, reported that on March 20, 1944, that committee presented to the President of the United States the enrolled bill (S. 1285) to facilitate voting, in time of war, by members of the land and naval forces, members of the merchant marine, and others, absent from the place of their residence, and to amend the act of September 16, 1942, and for other purposes.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. TAFT:

S. 1799. A bill to amend section 2 (b) of the act entitled "An act extending the classified executive civil service of the United States," approved November 26, 1940, so as to provide for counting military service of certain employees of the legislative branch in determining the eligibility of such employees for civil service status under such act; to the Committee on Civil Service.

By Mr. WALSH of Massachusetts:

S. 1800. A bill to authorize and direct the sale of Moore Air Field; and

S. 1801. A bill to authorize the Secretary of the Navy to convey to the Virginian Railway Co., a corporation, for railroad yard enlargement purposes, a parcel of land of the Camp Allen Reservation at Norfolk, Va.; to the Committee on Naval Affairs.

SOCIAL SECURITY—ADDRESS BY SENATOR MURRAY

[Mr. MURRAY asked and obtained leave to have printed in the *Record* an address on social security delivered by him before the United Automobile Workers, at Detroit, Mich., March 10, 1944, which appears in the Appendix.]

THE NATION'S NEED: EXECUTIVE COOPERATIVE LEADERSHIP—ADDRESS BY SENATOR WILEY

[Mr. WILEY asked and obtained leave to have printed in the *Record* an address on the subject *The Nation's Need: Executive Cooperative Leadership*, delivered by him before a Republican group in Waukesha, Wis., on March 13, 1944, which appears in the Appendix.]

ST. PATRICK'S DAY ADDRESS BY REPRESENTATIVE PHILBIN, OF MASSACHUSETTS

[Mr. WALSH of Massachusetts asked and obtained leave to have printed in the *Record* an address delivered by Representative PHILBIN, of Massachusetts, at Lawrence.

Mass., on March 16, 1944, which appears in the Appendix.]

OUR FUTURE PETROLEUM POSITION— ADDRESS BY SECRETARY ICKES

[Mr. GUFFEY asked and obtained leave to have printed in the RECORD a radio address on the subject of our future petroleum position, delivered by Secretary of the Interior Ickes, on the Town Hall of the Air program, New York City, March 16, 1944, which appears in the Appendix.]

VICTORY RECIPE-MENU CONTEST

[Mr. O'MAHONEY asked and obtained leave to have printed in the RECORD the rules of a victory recipe-menu contest conducted by the union label trades department of the American Federation of Labor, which appears in the Appendix.]

ANNUAL SALARY BASIS FOR FOURTH- CLASS POSTMASTERS — CONFERENCE REPORT

Mr. McKELLAR submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 324) to place postmasters at fourth-class post offices on an annual-salary basis, and fix their rate of pay; and provide allowances for rent, fuel, light, and equipment, and fix the rates thereof, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered (2), and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

"Less than \$50.....	\$72
\$50 but less than \$100.....	144
\$100 but less than \$150.....	216
\$150 but less than \$200.....	288
\$200 but less than \$250.....	360
\$250 but less than \$300.....	432
\$300 but less than \$350.....	492
\$350 but less than \$400.....	532
\$400 but less than \$450.....	572
\$450 but less than \$500.....	596
\$500 but less than \$600.....	672
\$600 but less than \$700.....	748
\$700 but less than \$800.....	824
\$800 but less than \$900.....	892
\$900 but less than \$1,000.....	960
\$1,000 but less than \$1,100.....	1,028
\$1,100 but less than \$1,500.....	1,100"

And the Senate agree to the same.

KENNETH MCKELLAR,
CARL HAYDEN,
WILLIAM LANGER,
C. D. BUCK,

Managers on the part of the Senate.

T. G. BURCH,
B. FRANK WHELCHER,
D. J. WARD,
N. M. MASON,

Managers on the part of the House.

Mr. McKELLAR. I ask unanimous consent for the immediate consideration of the report.

Mr. WHITE. Will the Senator from Tennessee give us the benefit of a brief explanation?

Mr. ICKELLAR. Mr. President, the bill agreed upon puts fourth-class postmasters on a salary basis. There were very slight differences between the House and the Senate, and those differences

were settled by compromise and adjustment. The salary provided is a little more than that the postmasters now receive, but not a great deal more. The bill is recommended by the Department, and I believe it is a proper step.

Mr. WHITE. The Senate conferees were in agreement about it?

Mr. McKELLAR. Oh, yes; all the conferees were in agreement, but they reached the agreement through compromise and adjustment all the way down the line.

The VICE PRESIDENT. Is there objection to the present consideration of the report? The Chair hears none. The question is on agreeing to the conference report.

The report was agreed to.

MEETING OF FRIENDLY SONS OF ST. PATRICK AT PHILADELPHIA, PA.

Mr. GUFFEY. Mr. President, last Friday night the Friendly Sons of St. Patrick of Pennsylvania held their annual dinner in Philadelphia. The Pennsylvania society is the second oldest society of Friendly Sons of St. Patrick in America, the oldest being in Savannah, Ga. Usually after such a meeting we hear what a great day it was for the Irish, but on this occasion we should say what a great night it was for the Welsh, because the two principal speakers were my Welsh colleague, who was born in Wales, the senior Senator from Pennsylvania [Mr. DAVIS], and a justice of the Supreme Court of Pennsylvania, George W. Maxey. I shall read from newspaper articles certain statements about that dinner which are very interesting, entertaining, and instructive. On this occasion a new candidate for President of the United States appeared in the field.

The senior Senator from Pennsylvania addressed the meeting first, and the Republican newspaper, the Philadelphia Inquirer, carried this much concerning his speech:

Senator JAMES J. DAVIS responded to the toast "The United States."

Declaring he favored an "international league to establish peace" after this war, Pennsylvania's senior Senator said the United States shunned the World War No. 1 League of Nations because of possible British control of the League.

Then the distinguished jurist from Pennsylvania took the floor and spoke at great length. I read from the Inquirer article:

Justice Maxey, reviewing the history of the Republican Party, especially from the standpoint of its selection of candidates for the Presidency, gave two reasons for its failure to nominate a Pennsylvanian in the 90 years of its history.

For one thing, he said, the party leadership in this State has too often failed or neglected to place men of outstanding ability in such offices as Governor and United States Senator.

Secondly, he added, the people of the country, rightly or wrongly, have come to regard the Republican organization in the State as made up of proprietors rather than leaders.

PENNSYLVANIA PASSED UP

"The American people," said Justice Maxey, "have never elected and never will elect to the office of President of the United States any man they think is controlled by any organization or by any person."

Then he went on to recite how many Presidents had come from Ohio and from New York and from Virginia. The article in the Inquirer continues:

"Why has Old Man Destiny gone all around us to select our Presidents? People who oversimplify say that the reason is that before 1936 Pennsylvania was always safely Republican and that nominees must come from doubtful States. The answer to that is (1) that the nomination of Presidential candidates from doubtful States serves little or no purpose, for such candidates lose their own States about as often as they carry them."

"That a Presidential candidate from a certain State is almost sure to carry that State is a political myth."

"My view is that the Republican party in its 90 years of history has never nominated a Pennsylvanian for President for two reasons: (1) The party leadership in this State has too often refused to place in the conspicuous positions of Governor or United States Senator, Pennsylvania's ablest public men.

VIEWED AS PROPRIETORS

"The second reason for Pennsylvania's neglect by the Republican National Convention is that our State Republican organization has always been regarded by the American people more as party proprietors than as party leaders, and it has been assumed by the American people, whether rightly or wrongly it is now not material to decide, that a Governor or a United States Senator from Pennsylvania is in large measure controlled by these proprietors."

"The American people have never accepted and will never accept a 'stooge' for President."

That is where, as I am advised, my friend and colleague walked out of the meeting, but he has told me, and I am sure he told me correctly, that he heard the call of the wild and went to the Moose Temple.

The article in the Inquirer continues:

"POLITICAL PARTIES ARE NECESSARY"

"A great leader, whether he deals with statesmanship or with 'practical' politics, distinguishes between the people's passing emotions and their settled convictions.

"I would like to say something in behalf of all the States. The foundation of the American system of government is the right of every State to regulate its own affairs. These rights of the several States are rapidly being destroyed by the Federal Government."

Mr. President, Justice Maxey wrote an opinion a few years ago, and I made a statement concerning it at the time, which was published in the CONGRESSIONAL RECORD, and if any of Leon Henderson's friends wish to refer to it they will find it in the CONGRESSIONAL RECORD of October 9, 1941. I will quote a few paragraphs from that statement:

The choice lay between law and politics. The Supreme Court of Pennsylvania, faithful to a tradition extending back more than half a century, chose politics. It reversed the election board and the common pleas court. It reversed its own decision in *Winston v. Moore*. It overruled, ignored, or dismissed historic precedents which have been honored by the courts since the founding of the Republic. And it produced, as an apology, one of the most amazing opinions ever handed down by a court of last resort.

The court admitted that the city charter, "construed literally," required an election

this year. But it pointed out solemnly that the German authority Puffendorf, who died in 1694, had found something different in the laws of medieval Bologna. Likewise, said the court, there was a ruling cited by Plowden from the statute of Edward II, who, as history records, was murdered in 1327. And, as a final touch, there was the famous decision of Walla Walla against Walla Walla Water Co.

The net result of the Bolognian law, Puffendorf's interpretations, Plowden's citations, the statute of the unfortunate Edward, and the litigation in Walla Walla, all taken together, appears to have convinced the court that it would be absurd to construe the city charter literally.

On that basis the case was reversed, and the election given to the present mayor of the city without a contest.

I should now like to read from an editorial published in yesterday's Philadelphia Record. It is headed "Puffendorf for President?"

I forgot to say, Mr. President, that Mr. Justice Maxey is willing to run for President, and the newspaper containing an article to that effect was placed on the streets of Philadelphia 3 hours before Justice Maxey delivered his speech. The statement was contained in a special edition of the Philadelphia Inquirer, published by Mr. Walter Annenberg. It is the great Republican organ in Philadelphia. The editorial is as follows:

PUFFENDORF FOR PRESIDENT? MAXEY CAN DREAM CAN'T HE?

The title of this editorial ought to be: "How To Skiffle Up a Candidate for President in 24 Hours."

At midnight Thursday night, March 16, 1944, not more than six people knew that Mr. Justice George W. Maxey was even thinking about becoming President of the United States. By midnight Friday, March 17, Mr. Justice Maxey had keynoted his own candidacy; before several hundred members of the Friendly Sons of St. Patrick and had actually been placed in nomination for President.

Now those things, boys and girls, just do not miraculously happen—even on St. Patrick's Day. They are arranged—and how.

Here is how Mr. Justice Maxey became a candidate for the Republican nomination for President of the United States:

At 7 o'clock on the evening of March 17, the "bulldog" edition of the Philadelphia Inquirer for March 18 was on the street. In it appeared the speech of Mr. Justice Maxey which was not made at the Friendly Sons banquet until more than 3 hours later.

In the Inquirer's page 1 article about the speech was the sentence: "Not a few diners interpreted the speech as an indication of the jurist's willingness to become a candidate for the G. O. P. Presidential nomination."

That sentence appeared in an edition printed an hour and a half before any of the diners sat down to eat, about 4 hours before Mr. Justice Maxey rared back and threw his high hard one in the direction of the Chicago convention.

The edition was distributed to some of the diners at the Friendly Sons banquet before they had even been served the fruit cup and long before they heard the Maxeyan keynote.

So when the big moment came, the diners at least knew how they were supposed to "interpret" the words of wisdom that poured forth from Pennsylvania's eminent jurist.

And just when the jurist sat down, with his words properly interpreted, Judge Clare Gerald Fenerty (the toastmaster) officially unveiled the candidacy of the eminent Maxey by looking the good chief justice squarely in the eye and thundering:

"We nominate you." [Cheers, applause, stamping.]

I ask unanimous consent, Mr. President, that the remainder of the editorial may be printed in the Record at this point.

There being no objection, the remainder of the editorial was ordered to be printed in the Record, as follows:

Thus was a candidacy born without benefit of obstetrics.

Only one error was made in the delivery. Apparently somebody forgot to tell Senator "Puddler" JIM DAVIS—another speaker at the Friendly Sons—of the Maxey candidacy. And quite obviously "Puddler" JIM hadn't read the "bulldog" edition of the Inquirer and therefore didn't know how to interpret the Justice's remarks.

When he heard Mr. Justice Maxey casting aspersions upon the low grade of Senators, Governors, and such spawned by the Republican "proprietors" of Pennsylvania, the Senator walked right out of the banquet hall.

He explained the next day that he had a date to meet a few of his brother Moose, that it was a free country, that Mr. Maxey had a right to say anything he wanted to say, that he wasn't paying attention to Maxey anyhow.

Neither Fenerty nor the "Puddler" troubled to remind the crowd that Maxey wrote the famous Puffendorf decision of the Pennsylvania Supreme Court—which went back to sixteenth-century law for a way to make Barney Samuel acting mayor of Philadelphia in 1941 without an election.

The crowd realized, of course, it was only a coincidence that the "Puddler" left at the very moment Justice Maxey was getting warmed up on the theme of grade D Senators. They understood JIM had a date with a Moose and excused what otherwise might have been interpreted as a bang at the Maxey boom.

So-o-o-o-o, the Philadelphia Inquirer has a candidate for President. "Puddler" JIM has explanations to make. Perhaps Wendell Willkie, Tom Dewey, Governor Bricker, Joe Pew, and John Hamilton have a slight headache. But we doubt it.

Mr. DAVIS. Mr. President, I have just listened to the remarks of my distinguished colleague and I do not need to tell the Senate that I am not at all surprised at his conduct here today. Neither do I need to tell the Senate that I am not at all surprised at the nature of the editorial which he has just inserted in the CONGRESSIONAL RECORD. It is the type of editorial that one would expect from a publication which is so closely bound up with the present administration. These are the types of comment one would likewise expect from a Senator who is a total devotee of the present administration.

It is regrettable, Mr. President, that one with the distinguished record of public service which Justice Maxey possesses should be subjected to such unfortunate publicity. His record as an attorney, as district attorney of his own county, as a judge in the lower courts of Pennsylvania, and as chief justice of the Supreme Court of the Keystone State, is well known. And for that record he need apologize to no man.

As for me, Mr. President, it is true that I had another engagement in Philadelphia that night, but that engagement was not the type of engagement alluded to in the editorial my colleague has just read. That night I was substituting at the Friendly Sons of St.

Patrick dinner for the senior Senator from North Dakota; and at 11 p. m. on the same evening I had an engagement with the Westinghouse Employees' Association, comprised of more than 2,500 sincere and patriotic workmen.

The record of war production achieved by the employees of that great industrial enterprise founded by George Westinghouse, who from humble beginnings developed the air brake, and later extended his work throughout the entire field of electricity, stands as an outstanding example of the great work which American management and labor are performing on the production front.

These workers are performing their daily tasks with complete competence and continuing determination that the system of free enterprise which sustained the organization in which they are now employed might be continued in the post-war years, notwithstanding the dangerous trends of repression and regimentation which have marked the present administration since its very inception. Here, Mr. President, let me say that during my own lifetime, because of the American way of free enterprise, I have seen Westinghouse grow from an organization of a single manager and a few employees to one which now employs tens of thousands of American workers and managers.

I was proud to have the honor of meeting and speaking with these American soldiers of war production, and for that honor and privilege I apologize to no man.

Going back to the Republican Party, Mr. President, I should like to point out that it is the essence of American democracy that every member of every party should remain free to make his own analysis and to support the candidates whom he feels are worthy of his support. I can only say that the Republican Party—yes, and the Democratic Party, too—could do far worse than to nominate a man of Justice Maxey's character, integrity, and ability.

The Republican Party, Mr. President, as is true of every sound and progressive organization, is now considering more than a dozen outstanding American men for the Presidential nomination this fall; for the Republican Party recognized that all men of ability should be carefully and fully considered for the outstanding positions of public service throughout the Nation.

It is a sad commentary on American democracy and American constitutional government today, Mr. President, that the party in power, far from encouraging the development of the men of ability within its ranks, repeatedly strikes them down because that party is committed to the policy that one man, and one man only, can carry the standard of its organization, regardless of the long-range damage that such a policy may do—and in some measure has done—to the fundamental concepts of American constitutional government.

I know, Mr. President, from the comments which have been made on this floor and from the articles which I have read in various publications, that today there are many Democrats who yearn to cast their ballots for certain outstanding members of their own party, but who

have repeatedly suffered their desires to be thwarted because of the powerful and ruthless political organization which has been built up in the Democratic Party to sustain one-man government.

I could speak at great length, Mr. President, regarding the "keepers" of the Democratic New Deal Party, but I shall defer that to another day. I only wish to assure my colleague at this time that I have never been found near the swill barrel of politics, as others whom I could mention have been. I further wish to assure my colleague that the Republican Party will choose its candidate without either his advice or his consent, and that the Republican Party will place its candidate before the American people in order that they may choose freely between the alternatives of constitutional government and the unsavory sort of government which they have received at the hands of the present administration for the past 12 years.

Mr. GUFFEY. Mr. President, I am sorry my colleague becomes so excited over my reading a speech delivered by a distinguished Republican jurist from Pennsylvania and published in a Republican newspaper. I added nothing myself, but merely read direct quotations.

I wish to say now to my colleague that, instead of becoming so excited over what the Republicans say about him, he should wait until his young Democratic opponent takes the stump this fall. Then he will have cause for excitement.

Mr. DAVIS. Mr. President, let me say that if he does it will be under the leadership of the Democratic Party in Pennsylvania, headed by the gentleman himself [Mr. GUFFEY], and the present State chairman; and if he does do so under that leadership, I will then tell what they said about each other. I welcome the contest.

Mr. GUFFEY. Mr. President, that is a public record, and the Senator has a right to use it and has a perfect right to refer to it.

UNITED NATIONS RELIEF AND REHABILITATION ADMINISTRATION—CONFERENCE REPORT

Mr. CONNALLY. Mr. President, I regret very much to interrupt a discussion on a matter of such national interest. I call up the conference report on the so-called U. N. R. R. A. bill and ask unanimous consent for its immediate consideration.

The report was read, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (H. J. Res. 192) to enable the United States to participate in the work of the United Nations relief and rehabilitation organization, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment numbered 6.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 7, and 8; and agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree

to the same with an amendment, as follows: At the beginning of said amendment insert "Sec. 5."; and the Senate agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows: Strike out the section number "5" and insert in lieu thereof "6"; and the Senate agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"Sec. 7. In adopting this joint resolution the Congress does so with the following reservation:

"That it is understood that the provision in paragraph 11 of resolution numbered 12 adopted at the first session of the council, referred to in section 3 of this joint resolution and reading 'The task of rehabilitation must not be considered as the beginning of reconstruction—it is coterminous with relief', contemplates that rehabilitation means and is confined only to such activities as are necessary to relief."

And the Senate agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"Sec. 8. In adopting this joint resolution the Congress does so with the following reservation:

"That the United Nations Relief and Rehabilitation Administration shall not be authorized to enter into contracts or undertake or incur obligations beyond the limits of appropriations made under this authorization and by other countries and receipts from other sources."

And the Senate agree to the same.

TOM CONNALLY,
WALTER F. GEORGE,
ARTHUR CAPPER,

Managers on the part of the Senate.

SOL BLOOM,
LUTHER A. JOHNSON,
CHARLES A. EATON,

Managers on the part of the House.

Mr. CONNALLY. Mr. President, in the conference the Senate conferees had their way about every amendment with the exception of the so-called Willis amendment. We modified very slightly one of the Senate amendments, but did not change its effect or its meaning. One of the proponents of those amendments was the Senator from Tennessee [Mr. McKELLAR]. Let me say that the Senator from Tennessee has expressed to me privately—he is here if he wishes to deny it publicly—his agreement with what the Senate conferees have done in that respect.

Mr. McKELLAR rose.

Mr. CONNALLY. I yield.

Mr. McKELLAR. I did not ask the Senator to yield to me, but I shall be delighted to have him do so.

Mr. President, let me say to the Senator that I told him in private that, although I would have preferred that the one amendment, I believe, which was changed somewhat might not have been changed, nevertheless I favored it. I say so publicly in the same way. I try never

to say anything in private that I will not stand by in public.

If the Senator from Texas desires to have my opinion, I will say I am inclined to think that the amendment offered by the Senator from Indiana [Mr. WILLIS] was a very excellent one, and I was very sorry that it was omitted in the conference. But, so far as my own amendments are concerned, I understood the Senator to say that the conferees did not change their meaning. That is what I was principally concerned with. I have no objection so far as my own amendments are concerned.

Mr. CONNALLY. I thank the Senator from Tennessee. I was sure he would confirm what I said.

Mr. WILLIS. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. WILLIS. Will the distinguished Senator from Texas inform us what the objection was on the part of the House conferees to my amendment?

Mr. CONNALLY. Has the Senator available a copy of his amendment?

Mr. WILLIS. Yes.

Mr. CONNALLY. I will say to the Senator from Indiana that his amendment was strenuously objected to by the House conferees. They advised the conference that the question had been voted upon in the House Foreign Affairs Committee a number of times, and that each time the proposal had been overwhelmingly defeated. The House conferees were absolutely adamant in their objection to the amendment of the Senator from Indiana, principally on the theory that there was nothing in the joint resolution which would authorize the acts which the Senator's amendment denounced, and that the U. N. R. R. A. would have no authority, without the amendment, to do any of the things which the amendment would prohibit. The Senate conferees concurred in that construction. The U. N. R. R. A. would have no authority to do any of the things which the Senator's amendment would prohibit.

Mr. WILLIS. Mr. President, will the Senator state how many meetings of the conference committee were held on this subject?

Mr. CONNALLY. I recall two. I do not remember whether we had more than two.

Mr. WILLIS. Will the Senator state how much time was given to the discussion of this amendment?

Mr. CONNALLY. I did not have a stop-watch.

Mr. WILLIS. I do not ask for the exact time. Was it 15 minutes or an hour?

Mr. CONNALLY. I should say it was even longer than an hour. Both Senators and Representatives were present, and, of course, 15 minutes would have been an unreasonable limitation. We discussed it for more than 15 minutes.

Mr. WILLIS. Does the Senator believe that there was full and free discussion of the amendment?

Mr. CONNALLY. I believe it was thoroughly understood.

Mr. WILLIS. Was it fully and freely discussed?

Mr. CONNALLY. It was fully and freely discussed. There was no time limit, and every member of the conference committee could talk as long as he desired. Other members of the conference committee are present. The Senator from Georgia [Mr. GEORGE] was a member of the conference committee, and the Senator from Kansas [Mr. CAPPER] was also a member.

Mr. WILLIS. I should like to ask the Senator on what he bases his statement that this question was considered in the House? The amendment originated with me.

Mr. CONNALLY. It was considered by the House committee.

Mr. WILLIS. But it was never passed on by the House.

Mr. CONNALLY. Not that I know of. However, I was assured that it was considered by the House committee several times, and that on each occasion the committee voted it down.

Mr. WILLIS. Did the Senate conferees suggest that the amendment be taken back to the House for action by the Whole House?

Mr. CONNALLY. I do not know that we suggested it, but that question was discussed, and it was indicated that the House conferees did not care to do so. It had already been acted upon in committee, and the House conferees were determined in their opposition to the amendment.

Mr. WILLIS. Mr. President, in my opinion this is an example of democracy in reverse. This amendment was offered in the Senate in good faith, and supported by a vote of 45 to 18. Then it went to conference. It was never considered on the floor of the House. The Senator says it was considered in the House Foreign Affairs Committee. I am not advised as to that, but I accept his word. I do not know how it was brought before the House committee in the form in which it was passed by the Senate. The amendment was supported in the Senate by all three of the Senate conferees when the vote was taken.

That brings us to the situation in which an amendment agreed to by a vote of nearly 3 to 1 in the Senate, and supported by the three Senate conferees, is blocked by a vote of three Members of the House. That certainly is a perversion of democratic processes. Under those circumstances it seems to me that it would have been only just for the Senate conferees to have insisted that the amendment be taken before the House for acceptance or rejection by the House. Does the Senator have any objection to that philosophy? Would he be willing to take the joint resolution back to conference, and ask the House to vote on the amendment?

Mr. CONNALLY. I will say to the Senator that the Senator from Texas has no objection to that philosophy; but I certainly would object to rejecting the conference report and going back to conference and asking the House to have a separate vote on something on which it has already expressed itself rather deter-

minedly. In my view, the matter is of little importance, because there is nothing in the joint resolution which would authorize such activities.

Mr. WILLIS. I will come to that in a moment.

Mr. CONNALLY. So far as democracy in reverse is concerned, the Senator must be advised that in order to become a law a measure must be passed by both Houses.

Mr. WILLIS. That is correct; but this amendment has never been before the House for consideration.

Mr. CONNALLY. The joint resolution was passed by the House without the amendment.

Mr. WILLIS. I take it that three Members of the House blocked the acceptance of this amendment.

Mr. CONNALLY. I do not know about that. When the House acts and sends us an official report, I do not try to go behind it and examine all the internal arrangements by which the House arrived at its conclusion. That is not our province. When the House sends a bill or joint resolution to the Senate with the certificate of the Clerk, that is the action of the House, and it is not the province of the Senate to analyze the action of the House and tell the House wherein it erred. That would be a violation of the proper comity which should exist between the two bodies.

Mr. President, I have great sympathy with the Senator from Indiana. He acted in perfect good faith; but many of us act in good faith, and yet do not succeed in achieving our desires and ambitions. That is about all I can say to the Senator.

Mr. WILLIS. Mr. President, I repeat it is a strange perversion of democracy when three members of a conference committee can block an amendment which was adopted by the Senate by a vote of 45 to 18, and which has never been considered on the floor of the House.

Mr. CONNALLY. Let me say to the Senator that the House conferees were only three in number, but they represented the entire House. They were the conferees on the part of the House of Representatives, whether their number was one or a dozen. So it is not quite fair to pick out three conferees and say that they are the culprits.

Mr. WILLIS. I think it is fair to say to the Senator that from a democratic standpoint, this amendment should have had full consideration by the House. It was agreed to in the Senate by a wide majority, and it certainly should have been considered by the House of Representatives. I say that merely as a statement of a broad principle of democracy, without going into the details of the rules. On the basis of general principle this amendment should have been considered by the House, and I believe the conferees on the part of the Senate would agree that it would be only fair to insist on a vote in the House.

As to the need for the amendment, it was offered in absolutely good faith on my part, and I believe it was supported in good faith by all Members of the Senate who voted for it, including the three Senate conferees. I believe that they

felt it of sufficient importance to cast a well-considered vote on it. If they had thought that it was of no importance, they should have protested at that time.

Mr. President, in order that we may further intelligently discuss the amendment, I ask that it be read by the clerk. It is Senate amendment numbered 6.

The VICE PRESIDENT. Without objection, the amendment will be read.

The Chief Clerk read the amendment, Senate amendment No. 6, as follows:

SEC. 8. None of the funds appropriated in pursuance of this authorization shall be expended in the promotion of any educational, religious, or political program in any country in which rehabilitation is carried on.

Mr. WILLIS. Mr. President, I think all of us want America to extend a charitable, generous, and helpful hand to our allies in a wise manner, and to those who have suffered from the devastations of this great war. In doing so, I believe that we should start from the beginning with the boundaries of this aid clearly outlined, with a chart clearly drawn, so that everyone, not only in our own land but in the countries to which we send aid, may know what our purposes are. I do not like to use this comparison; but we are appropriating \$1,350,000,000 into a fund in which we are to have one forty-fourth of the expending power. That we can do. We are, in plain words, unpleasant as they may be, entering into an international W. P. A. for relief. Already we have allocated 500,000 separate implements of agriculture, some to be delivered by July of this year, while our own farmers here at home are daily denied the request of implements which they sorely need to produce food for America.

We saw the W. P. A. operate in times past in this country. We know that the power to subsidize also carries with it the power to regulate. No matter how honest may be the intentions of the men who may be designated to administer the relief, we know that throughout the course of its administration there will be some who will say that certain educational, religious, and political programs must be carried out as a prerequisite to the relief so sorely needed. We had such an experience in our own country in connection with our own relief methods, and there is every reason to make it crystal clear that this will not be the purpose of America in its relations with other countries.

Senators, we are attempting to establish a program to take to the world the idea that America is a great and generous country of freedom-loving people. In carrying that thought to every nation, let us make it absolutely clear to them that there will be no effort on our part to restrict their religious, political, or educational ideologies. So it seems to me to be very necessary that this amendment be included in the joint resolution, and in the restrictions surrounding the resolution, before it is enacted into law.

Mr. President, I ask for the yeas and nays on the adoption of the conference report.

The VICE PRESIDENT. In order that the conference report may be properly

before the Senate, the Chair will inquire, Is there objection to its present consideration?

Mr. CONNALLY. Mr. President, when I presented the conference report I asked for its immediate consideration.

The PRESIDING OFFICER. Without objection, the conference report is before the Senate, and the question is on agreeing to the report.

Mr. WILLIS. Mr. President, I renew my request for the yeas and nays on the adoption of the report.

The yeas and nays were ordered.

Mr. WILLIS. I wish it to be stated, Mr. President, that in voting to reject the conference report we would not in anyway be expressing opposition to the objectives of the joint resolution. We would merely be asking that a further effort be made to include this delineating amendment in the report of the conference committee, and that it be taken back to conference with the understanding that the conferees should expend every effort to have the amendment submitted to the House of Representatives.

Mr. VANDENBERG. Mr. President, I am in no disagreement whatever with the able Senator from Indiana regarding the fundamental objective to which he subscribes, and which he has defined. This great international relief agency should not and must not degenerate into any activities in the field of education, religion, or politics. However, I am in deep disagreement with my distinguished friend respecting the procedure which he recommends in arriving at this result.

I think it is very unfortunate that this phase of the United Nations Relief and Rehabilitation agreement should have an emphasis placed upon it which might invite someone, somewhere, somehow, to believe that there is in the U. N. R. R. A. agreement some sort of a hidden license to permit the promotion of educational, religious, or political programs in the countries involved.

Mr. President, I had some responsibility in connection with the formation of this agreement, and that is the reason why I primarily feel it to be necessary to speak very plainly and frankly about it. I assert that by no stretch of anyone's imagination is there at any place in the agreement anything by which the power and authority of this organization could be used directly or indirectly in educational, religious, or political programs in any country on earth, anywhere, or at any time.

Mr. President, when we redrew the U. N. R. R. A. agreement in consultation between the State Department and the Senate Committee on Foreign Relations we scrupulously took literally months in which to circumscribe the authority which we were creating in order to be sure that it would involve nothing beyond the naked essentialities of relief in the areas behind our military lines as our Army moves on in its victorious forward march.

The only rehabilitation to which we gave any license whatever—and it is textually stated—is rehabilitation related

exclusively to the administration of successful relief itself.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. CONNALLY. Supplementing what the Senator has said, I hold in my hand a memorandum from the State Department in which it is stated:

The U. N. R. R. A. has no power whatever to enter into educational, religious, or political activities.

It confirms what the Senator has said.

Mr. VANDENBERG. I think it is so primary, so elemental, and so axiomatic, Mr. President, that I dislike to see an issue drawn here in a formal fashion which, in the event that the suggestion of the Senator from Indiana were approved, might invite the inference that there is some sort of authority involved in the agreement for the promotion of any educational, religious, or political program.

Mr. WILLIS. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. WILLIS. What would be the objection, then, to clearly stating it in the joint resolution?

Mr. VANDENBERG. Mr. President, there was no objection on my part when the issue originally arose, and I voted for the Senator's amendment. I was one of the 45 Senators who voted in the affirmative. However, I so voted solely because I thought the amendment was surplusage and could do no harm. I still think it could have done no harm. If I had been a member of the conference committee, I should have voted to retain it in the joint resolution. However, I think it is totally needless. I do not think it adds anything to the inherent precautions which are already apparent in the agreement itself. I do not believe that if the amendment had never been proposed we would find this organization even remotely approaching the promotion of educational, religious, or political programs. If it should ever do so, whoever may be responsible for it should be impeached, because it would squarely defy the purpose of the entire undertaking.

Mr. WILLIS. Mr. President, I am in entire sympathy, I will say to the able Senator from Michigan, with such action as he has suggested being taken in case the program referred to were attempted. However, I can see no harm in the amendment, and I can see a very great need for including it in the joint resolution. I believe we should make further effort to have it put in so that there may be no misunderstanding in the future in reference to this provision.

Mr. VANDENBERG. I fully understand the earnestness with which the able Senator from Indiana presents his point of view, and I have no complaint or criticism to make of it. I sympathize with his attitude. I would have no part in creating any international function of a character which had any license, by any possible indirection, even, to deal in any educational, religious, or political program. The difference between us is that since the conference report omits

the textual prohibition which was inserted by the Senate, I am not in favor of jeopardizing the entire conference report, or emphasizing this one particular thing to the exclusion of everything else, by proceeding as indicated in the suggestion of the Senator from Indiana, because I would not under any circumstances lend any color at any time in any way, or at any place, to any remote thought that there can be any promotion of educational, religious, or political programs under the authority of this agreement.

Mr. BREWSTER. Mr. President—
Mr. VANDENBERG. I yield to the Senator from Maine.

Mr. BREWSTER. I certainly appreciate the Senator's confidence, but there is no authority whatsoever for any such procedure. I wish I might share the Senator's confidence that no one associated with this administration will ever do anything that is not authorized within the law. I have heard the able Senator from Michigan at times express considerable doubt upon that score; and in order that there may be no misapprehension, I think the more clear we make our intent the less possibility there is that any of the administrators may proceed under a misapprehension. It is for that reason that I welcome this language.

Mr. VANDENBERG. Let me say to the Senator that if he is asking me to underwrite the fact that this administration never exceeds its authority and never goes beyond the congressional intent as expressed in statutes, he has asked me to do something which I decline to have any part of, because I have seen the crime committed too often. But I submit to the Senator that if we are to confront that sort of maladministration of this act, then the mere inclusion of these few additional words will not stop the maladministrators.

Mr. BREWSTER. It at least will render it so that no man of any integrity or intelligence can possibly ignore its existence. It is for that reason that I welcome it. I should like to ask the Senator—

Mr. VANDENBERG. Before the Senator goes any further, I do not want to forget those words of his, because they are good. I agree that no man of intelligence or integrity can find one scintilla of authority in this agreement to proceed 1 millimeter in the direction of the promotion of any educational, religious, or political program.

Mr. BREWSTER. I should like to go one step further. It has come to my attention, and I think I am accurately informed, that four of the chief countries of Europe, with which I think we are most concerned, France, Belgium, Holland, and Norway, or Denmark, have, for reasons which seem good and sufficient unto themselves, felt sufficient concern regarding the possibility of some ideological penetration that they have taken the full responsibility of buying out of their own funds all the supplies which could be available or required in those countries in order that there might be no question as to their complete control of the distribution for fear of the

very things which we have in mind. Has the Senator any information regarding that situation?

Mr. VANDENBERG. No; but I can understand why such fears might exist in respect to the broad problems involved in post-war reconstruction. I assert, however, that we have met the situation ourselves in the construction of this agreement and this act, and we have put the limitations upon the managers of U. N. R. R. A. so definitely and so specifically in respect to their functions and their obligations and their responsibilities that it is beyond my comprehension that any American official could by any stretch of the imagination, I repeat, lend himself to any such prostitution of this statute; and if the existing limitations are insufficient then we cannot write limitations that will be sufficient.

I remind the Senate that this whole thing is created on such a basis that there is nothing authorized except as it is authorized by specific appropriations of the Congress from time to time; and we can write what limitations we please upon those appropriations when they are made and we have not violated the spirit of this agreement when we do it. If we cannot take care of ourselves in this particular instance, after having erected these safeguards, then God help us when we confront the major problems of the post-war contemplation.

Mr. BREWSTER. I understand that the Senator has no objection to the House at least having an opportunity to express itself upon this score if it could be secured with due regard for parliamentary proprieties.

Mr. VANDENBERG. I would have no objection whatever to an expression by the House on the subject, but I know of no way by rejecting the conference report that a vote can be produced in the House.

Mr. BREWSTER. Except, if the House are as interested as we are in the charitable aid of foreign countries, the conferees of the House, I assume, would, following a rejection, be willing to take this to the House in order to permit 435 Members of the House to express themselves, as we have here, and as three conferees of the House have. I assume that is the purpose of the vote we are about to take. We simply politely ask them, "Will you consider this?"

Mr. VANDENBERG. If I have not made it plain to the Senator why I shall not vote for that process, I shall make one further attempt. I am sure it is my fault and not that of the Senator.

Mr. BREWSTER. I wanted the Senator to be clear why I would vote for the proposal.

Mr. VANDENBERG. I am unwilling by my vote in connection with this issue to indicate that there is one scintilla of doubt in my mind—

Mr. BREWSTER. The Senator has already indicated that.

Mr. VANDENBERG. Or one reservation of any nature whatsoever that anybody in connection with this undertaking can do the thing the Senator is talking about.

Mr. BREWSTER. The Senator has already indicated that by one vote on this

very amendment. Is he not willing to vote a second time for what he voted for the first time?

Mr. VANDENBERG. I was perfectly willing to accept it in the original routine; but I am not willing to make it an issue which, when thus made an issue and if adopted after being made a major issue, would invite the suggestion that there is somewhere involved here the authority to promote educational or religious or political programs. I am not willing in any way whatsoever to create any situation which concedes that U. N. R. R. A. can touch the question of educational or religious or political programs.

Mr. GEORGE. Mr. President—

Mr. VANDENBERG. I yield to the Senator from Georgia.

Mr. GEORGE. I call attention to the fact that this is a mere authorization and that every dollar that is hereafter appropriated can be hedged about by any limitation the Congress wishes to put upon it. But we do not stop at that in this conference report. In the Senate and in the conference we insisted upon the amendment which is numbered 3, which was adopted, and which is clear and which in express terms is a reservation to the agreement itself creating U. N. R. R. A., not merely an amendment to this joint resolution but a reservation to the agreement which all the nations party to the agreement must accept. The reservation is this:

That in the case of the United States the appropriate constitutional body to determine the amount and character and time of the contributions of the United States is the Congress of the United States.

Not only that, but we insisted upon a further amendment which the conferees on the part of the House accepted, by way of a reservation to the U. N. R. R. A. agreement itself, and not merely to this joint resolution of the Congress. The reservation appears as section 6, and reads as follows:

In adopting this joint resolution the Congress does so with the following reservation:

That it is understood that the provision in paragraph 11 of resolution numbered 12 adopted at the first session of the council, referred to in section 3 of this joint resolution and reading "the task of rehabilitation must not be considered as the beginning of reconstruction—it is coterminous with relief."

Note this reservation, which all the parties to the U. N. R. R. A. agreement must accede to or accept:

The provision . . . contemplates that rehabilitation means and is confined only to such activities as are necessary to relief.

The amendment which was offered by the distinguished Senator from Indiana related to rehabilitation only, and here is a positive affirmative reservation which goes down to the very heart of the whole U. N. R. R. A. organization, which in affirmative language says that rehabilitation contemplates, means, and is confined only to such activities as are necessary to relief.

We have another reservation in the measure which provides that the authorities in administering U. N. R. R. A., the responsible organization set up un-

der the agreement, cannot change it so as to bind the United States without the consent of the Congress of the United States expressed by joint resolution. So we concluded that there was no need to insert a negative, a mere limiting provision, in lieu of these positive, direct declarations confining U. N. R. R. A. to the doing only of the one thing, to wit, affording relief.

Of course, no one can guarantee that appointed agents of the Government, or of an international organization such as this, may not abuse their powers or their authority. That they could do under any sort of an appropriation that was made by the Congress. The point is that we have safeguarded this matter as far as we can safeguard it, by insisting upon reservations, not mere amendments made to a resolution, but insisting upon reservations to the organic agreement of the several powers which are now contributors to U. N. R. R. A., to its support and to its maintenance. We have hedged it around certainly so that there can be no abuse of the power which we are granting except by the deliberate act of an agent who does not correctly and properly and honorably represent his country. We would not, of course, attribute to those who are called on to administer U. N. R. R. A. any intent or purpose of that kind.

Above everything else, before a single dollar can go out of the Treasury of the United States for this purpose, the identical language which appears in this rejected section can be offered as an amendment to any appropriation bill, because it would be a proper limitation on the use of the money. Every dollar can have attached to it the identical limitation which was contained in the amendment offered, in all good faith, by the Senator from Indiana, an amendment for which I suppose I voted. I do not think I would have been disposed to vote against it. But here we have the affirmative declaration of precisely how far anything can be authorized, with the added assurance that no change in the constitution of U. N. R. R. A. can be made, so as to bind us or affect us, except upon a ratification of the change made by the Congress of the United States by appropriate resolution. So we can fix the limitation.

I should like to say to the Senator from Indiana that I have no great enthusiasm for U. N. R. R. A., and if I had had any authority or power in bringing about the setting up of the relief organization, it would have been a relief organization, so far as the United States is concerned, that would have acted on its own, and would not have been tied up with agreements on the part of other nations. But, while I have no great enthusiasm for U. N. R. R. A., I think we have hedged it about as far as is necessary, and especially when it is remembered that this is a mere authorization of a total appropriation for a period limited until June or July 1946. When our Appropriations Committee brings in an appropriation bill containing any amount for U. N. R. R. A., this limitation can be inserted.

Mr. WILLIS and Mr. AIKEN addressed the Chair.

The VICE PRESIDENT. Does the Senator from Michigan yield; and if so, to whom?

Mr. VANDENBERG. I will yield in a moment. I thank the Senator from Georgia for his statement. He confirms the analysis which I have made of the situation, and I think the analysis is invincible.

He brings up one point which I had intended to advert to briefly in respect to the language in the amendment of the Senator from Indiana. The language itself is most unfortunate, because it applies only to countries in which rehabilitation is carried on. We have sought throughout the creation of this instrumentality to limit the rehabilitation so far as possible, and to justify only such rehabilitation as is intimately and indispensably related to the administration of relief. Yet the Senator's amendment applies only to rehabilitation, and does not apply to relief.

That is an utterly secondary and inconsequential consideration, but I submit that it indicates once more that this is, after all, not the Ark of the Covenant, and that we have not lost everything if we lose this amendment.

I now yield to the Senator from Indiana.

Mr. WILLIS. Mr. President, I should like to say that the language can very well be made to read "relief and rehabilitation." It is to be regretted that the Senator from Michigan did not insert the language when we adopted the amendment. I appreciate his long experience and his ability, and he probably could have drafted the amendment much better than I, in my inexperience, drafted it. I shall be glad to have that included in the conference agreement.

Mr. VANDENBERG. I now yield to the Senator from Vermont.

Mr. AIKEN. Mr. President, I listened with interest to the comments of the Senator from Georgia, who was on the conference committee, and particularly to his statement that this limitation could be added to an appropriation bill when it comes up later, and we are asked to appropriate for the U. N. R. R. A. It does not seem to me that in fairness to U. N. R. R. A. itself we can do that. They should not be required to wait until that time before they know what they can do. As I understand, the officials in charge of U. N. R. R. A. are now making their plans for the expenditure of these funds, and they will come in later and tell us from time to time how much they need. It may be that they are planning for an educational program in connection with the distribution of food. I may say that in my mind there is some question whether they should not be permitted to indulge in a little educational program covering the use of this food. But they are making their plans now, and if they come in with plans calling for an educational program, as our W. P. A. did, and we say to them, "Not a dollar of this can be spent on an educational program," they will have to retrace their steps and make their plans all over again.

Mr. VANDENBERG. I may say, in reply to the Senator from Vermont, that they contemplate nothing of the sort.

They are already on notice. They have said in a letter which the Senator from Texas has just read that they know they have authority to do no such thing, and in the letter read they have said they contemplated nothing of the sort. So I am not at all fearful about their being misled. No man who had anything whatever to do with the formation of this undertaking could be misled about any license for the promotion of educational, religious, or political programs under it.

Mr. President, I sum up by saying that I think we are better off, we are safer, in respect to the objective which the able Senator from Indiana appropriately embraces, in not sending this matter back to conference seeking to make a major issue of this particular amendment, because if we send it back and the Senator's amendment is then formally rejected, it will be rejected, so far as legislators are concerned, because they say it is surplusage and unnecessary, but rejected perhaps with the result that somebody hereafter may say, "Congress declined to prohibit the promotion of educational, religious, or political programs."

Now if we accept this conference report, I want to say finally that we have not rejected a prohibition against educational, religious, or political programs under U. N. R. R. A. We have simply confirmed the fact that nowhere, at no time, under any circumstances directly or indirectly is there any remote authority in the document itself or in the agreement or in the administration for the promotion of educational, religious, or political programs anywhere on earth.

Mr. WILLIS. Mr. President, the Senate has already inserted this amendment in the joint resolution, and now it is proposed that we remove the restriction provided by the amendment. I think the time for such action has passed. If we desire to make such restriction plain and secure, it is absolutely necessary that we include the amendment in the joint resolution.

Mr. President, the distinguished Senator from Georgia [Mr. GEORGE], for whose great ability no Senator has higher regard than have I, said that we can place the provision in the appropriation bill. But it can be taken out of the appropriation bill as easily as it is now proposed to take it out of the joint resolution. Let us not begin such a practice. Let us say in the beginning that we mean what we say by the amendment, and stand by it. I think it highly important that the amendment be carried in the final form of the joint resolution.

I agree with what Senators much more able than I have said, that perhaps there is nothing in the joint resolution which gives any authority to any agency or to any administrator to use the fund for the purposes in question. But we have seen in recent times a strange perversion of the interpretation of the laws of our land, and we do not know how in the future some administrator may interpret the provisions of this resolution. So let us set out the restriction in language so plain that everyone can understand it.

Mr. President, in the interest not only of our good will to the people we desire to aid, but for the protection of the people of America, we should write this restriction into the joint resolution, and say that we are going to extend relief in such a way that we shall not in any way restrict the ideologies which to the people involved are dear, or do anything which, if we were in their place, and the situation were reversed, we would not want them to do to us. Let us practice the golden rule with respect to these people and say, "We will not do anything to you that we would not want you to do to us," and let us put it in the measure in language so plain that no one can misunderstand it.

Mr. President, I realize that it would be embarrassing to some who want to vote for the amendment to vote against the conference report. Therefore I should like to move that the conference report be recommitted to the committee for further consideration on the basis of the discussion which has been heard here today.

Mr. President, I move to recommit the conference report to the conference committee with the request that the committee use every effort to have the amendment before the House of Representatives. On this motion I ask for the yeas and nays.

The VICE PRESIDENT. The plain motion to recommit is in order. The yeas and nays on the motion have been asked for. Is the demand seconded?

The yeas and nays were ordered.

Mr. CONNALLY. Mr. President, I wish to say a few words before a vote is taken. The Senator from Georgia [Mr. GEORGE] and the Senator from Michigan [Mr. VANDENBERG] have very clearly set forth the lack of necessity for the amendment and its undesirability. I wish to suggest now what the Senate will be doing if the measure is sent back to conference. The Senator from Indiana seems to think we can send it back to conference, and that the conferees can simply fix up a little generator and the whole thing will work all right. That would seem to him to be very simple. But when the Senate sends the measure back it means that we reject every amendment for which we secured the consent of the House. What are those things? Do Senators suppose the House is simply going to say, "Yes; we accept all the amendments which the Senate proposed, and we recede on all our proposals"?

What are the amendments? Let Senators read the report and note the amendments we succeeded in getting the House to agree to—amendments which really are vital to the whole project.

Mr. WILLIS. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. WILLIS. There has been no objection to the other amendments carried in the report of the committee, has there?

Mr. CONNALLY. No; but the House is a party to this proceeding. When the measure is sent back to conference the whole subject which was in conference

is opened up again. The House Members can renew their objection to every amendment which was agreed to in conference, and the House can do the same.

Mr. WILLIS. There is not much likelihood that they will do so, is there?

Mr. CONNALLY. If I were a House conferee I think I would have some views concerning the Senate getting what it supposedly wanted and then demanding, after a full and free conference, that the House reconsider the matter in order to vote separately on one amendment. The House has some conception of its dignity and its power.

Mr. President, what have we obtained in this conference? Here is one of the very vital amendments to which we secured the consent of the House, though it was not secured on the first vote. The matter had to be argued and debated, but finally we did secure the consent of the House conferees. I refer to the reservation contained in section 7. As pointed out by the Senator from Georgia, it is a reservation to the very vitals of the original agreement between the nations. They must all consent to it. I read it:

Sec. 7. In adopting this joint resolution the Congress does so with the following reservation:

That it is understood that the provision in paragraph 11 of resolution numbered 12, adopted at the first session of the Council, referred to in section 3 of this joint resolution and reading "The task of rehabilitation must not be considered as the beginning of reconstruction—it is coterminous with relief."

That is the language that was contained in the amendment, and then we added, interpreting that language:

Contemplates that rehabilitation means and is confined only to such activities as are necessary to relief.

By reason of the acceptance by the House of that amendment of the Senate we tie all this organization's activities down to relief only. We exclude rehabilitation. We exclude the activities which the Senator would prohibit in his amendment, because the State Department, which is sponsoring this matter, officially has advised me as follows:

U. N. R. R. A. has no power whatever to enter into educational, religious, or political activities.

When this measure is sent back to conference in order to adjust the amendment of the Senator from Indiana, it is sent back for all purposes, and none of these amendments are then adopted unless we obtain a renewal of the action of the House, and get the House to agree. Do Senators think House Members are going to be in very good humor to agree, after we have obtained practically everything we asked for in conference, and then go back to them and say, "Wait a minute now, you must take this amendment back. There must be a separate vote on this amendment just as we want it, and you have got to accept it just as we say it should be worded."

What other things did we obtain in the conference? I ask Senators to read the report. I read section 8, as follows:

Sec. 8. In adopting this joint resolution the Congress does so with the following reservations:

That the United Nations Relief and Rehabilitation Administration shall not be authorized—

This is vital, it goes to the fundamentals of the authority of the Congress, the control of the purse. We are tying the whole Administration, not simply our contribution, but we are tying the whole U. N. R. R. A. to the proposition—

shall not be authorized to enter into contracts or undertake to incur obligations beyond the limits of appropriations made under this authorization and by other countries and receipts from other sources.

That is what we have done. We secured the consent of the House conferees to that provision. If the conference report is adopted by the House and the Senate, it will be provided in the law that the U. N. R. R. A. itself cannot make its plans, cannot assume obligations, or cannot make commitments beyond the limitations of the appropriations made by the Congress of the United States and the limitations in connection with the funds which it has received from other countries. Is not that sound? Are we not tying their hands? Are we not delimiting their authority?

Mr. BROOKS. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. BROOKS. I should like to ask the Senator a question. The pending motion is to recommit the conference report. Is it not true that no action is taken on the conference report until the Senate acts upon it?

Mr. CONNALLY. Action of what kind?

Mr. BROOKS. Action by the House. Does not the House wait until the Senate acts upon the conference report?

Mr. CONNALLY. Oh, yes; I assume that to be correct.

Mr. BROOKS. Then if the Senate should ask the House to reconsider, could it not be reconsidered in conference, without going back to the House for a vote?

Mr. CONNALLY. Oh, yes.

Mr. BROOKS. Is it not possible, then, for the three conferees on the part of the Senate to go to the conferees on the part of the House in the same spirit in which the Senator from Indiana [Mr. WILLIS] has presented the matter, and to say, "The Senate feels very strongly on this matter, and we wish you would accept it. We are not insulting the House, and we are not challenging the House, but we are merely asking the House to cooperate."

Mr. CONNALLY. Oh, yes; all that is possible; the millennium is possible; a great many things are possible, which are not going to happen. I say to the Senator from Illinois that of course the Senate conferees could go back to the conference with the House conferees. When we went back to the conference, what would we say? We would say, "Well, we appreciate your agreeing to all these other amendments in which we are really interested, and which are vital;

but here is another little amendment. The Senate has rejected the report, and has sent it back to conference, and we want you to accept this amendment."

Mr. BROOKS. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. BROOKS. I respectfully submit that in some men's eyes it may be a very little thing, but in my judgment it is a very large thing. This is a step by which we are moving out into the world's domain, and are contributing more than 60 percent of the funds which are to be used for relief. The people of America, if I understand their present temper, want this Congress to write out, to spell out, and to define to the last dotting of an "i" and the crossing of a "t" what we are going to do in these foreign relations affairs. In the report which was made here the distinguished chairman of the committee said:

The signing of the United Nations relief agreement is a milestone in the development of the foreign policy of the United States.

That is exactly what I believe it is going to be; and I, for one, would like to have it limited, and, now that the question has been brought up, I would like to have a double limitation that it be confined to relief, not used for educational, political, or religious purposes which would lead us into any foreign complications in the future. The resolution is not a trivial one.

Mr. CONNALLY. Mr. President, I respect the views of the Senator from Illinois. I realize his interest in the matter, and I realize the interest of the Senator from Indiana. I wish to say that so far as the foreign-relations angle of this matter is concerned, I rather share the view of the Senator from Georgia [Mr. GEORGE] that there was no enthusiasm about our voting to extend relief.

I view this measure, however, as a part of the program of the war. We do not wish to have chaos in Europe, because chaos in Europe would mean that the waves which would there be set in motion would wash our shores. We do not want in Europe communism generated by hunger and want, and fomented by the agitation of politicians from other countries and the propaganda of other lands. We want this war to be successfully waged, and then we wish to have a just and durable peace, and the possibility of setting up an agency which we hope will prevent our enemies from again bathing the earth in blood.

But let us see. The Senator wishes to have every "i" dotted and every "t" crossed. How can we do that without having the dictionary inserted as an amendment to practically every measure? An authorization is an authorization. It does not extend beyond the grant of powers contained in the authorization. If we are going to adopt negative prohibitions—"you shall not do this; you shall not do that; you shall not do the other," every imaginable thing which occurs to our minds—the measure will be impracticable and impossible. Sup-

pose someone says, "Why do you not put in the resolution a provision that the U. N. R. R. A. shall not furnish anything but dairy products, and shall not use any other kind of fats except dairy fats? Why do you not prohibit the use of anything else, and prohibit the use of any kind of wheat except wheat from the United States?"

Mr. WILLIS. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. WILLIS. The Senator from Texas would not compare dairy products with political, educational, and religious matters; would he?

Mr. CONNALLY. No; and I do not.

Mr. WILLIS. I merely wanted to make that point clear.

Mr. CONNALLY. But it helps a fellow meet his religious engagements if he has dairy products.

Mr. WILLIS. We desire to make sure that the funds contributed by the United States are not used for religious, political, or educational purposes.

Mr. CONNALLY. No provision authorizing the use of the funds for such purposes is contained in the joint resolution, and no authorization for such use is contained in it. I challenge the Senator from Indiana, if he wishes to be meticulous, to put his finger on a phrase or a clause or a word in the measure which authorizes the use of the funds for religious, political, or educational purposes. The Senator is a very able gentleman. He is a journalist. He burns the midnight oil, no doubt; and if such a phrase or clause or word is contained in the resolution, he will find it.

But, Mr. President, above all that, are these amendments whose adoption we have secured, and which guarantee to the present Congress and to all future Congresses the right in passing upon the appropriations to tie upon every dollar, every dime, and copper within such appropriation any limitation which may be desired. The Congress can insert a limitation that the U. N. R. R. A. may not use a dollar of the money appropriated to buy calico, but must buy broadcloth. Future Congresses can insert in the appropriations any denial or limitation as to the purpose for which the money shall be spent. That is our power; that is our authority. It is the power to control the purse. Senators talk about the power of the Congress to do this, to do that, and to do the other thing, but so long as we hold the reins on appropriations, so long as we turn on or turn off the spigot of money coming from the Treasury, the Congress of the United States will remain the governing power in this Republic because, under the power to control the purse, the Congress can deny money to the President of the United States; under the power to control the purse, the Congress can, if it so desire, paralyze the Supreme Court by refusing to appropriate for the salaries of the judges of the Court. Under the power to control the purse the Congress can interdict the operation of any department of the Government until it does the bidding of Congress. The cases are extreme ones, but they illus-

trate the magnitude and the wide sweep of the control of the Congress over the purse. We have such control in connection with this conference report.

Mr. BUSHFIELD. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. BUSHFIELD. I am impressed by the remarks of the distinguished Senator from Texas, as I was by the remarks of the Senator from Georgia and the Senator from Michigan.

Mr. CONNALLY. I thank the Senator.

Mr. BUSHFIELD. A moment ago the Senator challenged the Senator from Indiana to point out one word or phrase—

Mr. CONNALLY. I did not challenge the Senator from South Dakota.

Mr. BUSHFIELD. I invite the Senator's attention to the language on page 3. This is the section which gives U. N. R. R. A. the power to do what it may do. This section provides that U. N. R. R. A. shall have the power—

To plan, coordinate, administer, or arrange for the administration of measures for the relief of victims of war in any area under the control of any of the United Nations—

This is the significant part—through the provision of food, fuel, clothing, shelter, and other basic necessities, medical and other essential services—

During the time I have been a Member of the Senate I have seen all kinds of interpretations, far from what Congress intended in legislation, placed upon acts of Congress by agencies of the Government. I do not care to have Judge Rosenman decide what "other essential services" means. I want the Congress to state what may be done.

Mr. CONNALLY. I appreciate the interruption of the Senator from South Dakota, and his generous comment respecting the Senator from Texas, the Senator from Georgia, and the Senator from Michigan. I feel sure that I am authorized to speak for them. However, frankly I do not see anything objectionable in the language of which the Senator complains. It says "other basic necessities." What is a basic necessity?

Mr. BUSHFIELD. Under the provisions of the joint resolution, who is to interpret what the words "other essential services" mean?

Mr. CONNALLY. Initially, the administrators of the program. If they should determine upon something that we did not think should be done, we could stop it by means of limitations on appropriations.

The Senator from South Dakota made some reference to Judge Rosenman. I do not happen to hold a brief for Judge Rosenman. He needs none. I do not know what he has to do with this measure. I never heard of him in connection with it. We held hearings in the Committee on Foreign Relations, and the Senate passed the joint resolution, and we have had conferences for 3 or 4 days with the House conferees. Frankly, I never heard Judge Rosenman's name mentioned. I looked under every desk

and table in the room, but he was not under any of them. [Laughter.] What has he to do with the joint resolution? I do not know.

Mr. BUSHFIELD. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. BUSHFIELD. Was the Senator looking for him?

Mr. CONNALLY. I thought perhaps the Senator from South Dakota might inquire, when the conference report was under consideration, what Mr. Rosenman had to do with it; and merely as a matter of precaution, I looked carefully under every desk, but I did not see Judge Rosenman anywhere. [Laughter.]

Mr. BUSHFIELD. Mr. President, will the Senator yield for a further question?

Mr. CONNALLY. I yield.

Mr. BUSHFIELD. Did the Senator look under the President's desk?

Mr. CONNALLY. That was the shot that got me. [Laughter.] No; we did not look under the President's desk. The President was at the White House, and we held these meetings in the committee room of the Committee on Foreign Relations, to which the Senator from South Dakota is welcome at all times. If our search is not thorough enough, we will ask him to come and bring a flashlight, a telescope, and a magnifying glass.

I do not know what Judge Rosenman has to do with this question. So far as I am concerned, he has nothing to do with it. He is not doing the thinking for the Senator from Georgia [Mr. GEORGE]; he is not doing the thinking for the Senator from Michigan [Mr. VANDENBERG]; and if I may modestly say so, he is not doing the thinking for me. He has never talked with me about the joint resolution. He has never spoken to me about any other measure pending before the Senate. He has never made any suggestion to me about anything on earth connected with this Government. That is all I know about Judge Rosenman.

Mr. President, I do not care to consume more of the time of the Senate. Under provisions to which we have secured the consent of the House, we establish a perpetuity of control by the Congress over every dollar that may be appropriated. The amendment of the Senator from Indiana is not necessary. It would not do any harm; but the House conferees were adamant. They told us that the question had been voted upon in the committee three or four times. There are persistent Members in the House as well as in the Senate. They kept bringing it up and urging it. The committee voted against it repeatedly, and the House conferees were determined not to accept the amendment. So I hope the Senate will reject the motion to recommit so that the conference report may be agreed to.

The PRESIDING OFFICER (Mr. McFARLAND in the chair). The question is on agreeing to the motion of the Senator from Indiana [Mr. WILLIS] to recommit the conference report. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HAYDEN (when his name was called). I have a general pair with the Senator from North Dakota [Mr. NYE]. I transfer that pair to the Senator from New York [Mr. MEAD] and will vote. I vote "nay."

The roll call was concluded.

Mr. DAVIS. I have a general pair with the junior Senator from Kentucky [Mr. CHANDLER]. I am informed that if he were present he would vote as I am about to vote. I am therefore free to vote. I vote "nay."

Mr. McKELLAR. I have a general pair with the Senator from Oregon [Mr. CORDON]. Not knowing how he would vote, I withhold my vote.

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] and the Senator from South Carolina [Mr. SMITH] are absent from the Senate because of illness. I am advised that if present and voting, the Senator from Virginia [Mr. GLASS] would vote "nay."

The Senator from North Carolina [Mr. BAILEY], the Senator from Alabama [Mr. BANKHEAD], the Senator from Idaho [Mr. CLARK], the Senator from Montana [Mr. MURRAY], the Senator from Georgia [Mr. RUSSELL], and the Senator from Utah [Mr. THOMAS] are detained in Government departments on matters pertaining to their respective States. I am advised that if present and voting, the Senator from Montana [Mr. MURRAY] and the Senator from Utah [Mr. THOMAS] would vote "nay."

The Senator from Mississippi [Mr. BILBO], the Senator from Arkansas [Mr. CARAWAY], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Colorado [Mr. JOHNSON], the Senator from Illinois [Mr. LUCAS], the Senator from Connecticut [Mr. MALONEY], the Senator from New York [Mr. MEAD], the Senator from Florida [Mr. PEPPER], and the Senator from Oklahoma [Mr. THOMAS] are detained on public business. I am advised that if present and voting, the Senator from Illinois [Mr. LUCAS], the Senator from New York [Mr. MEAD], the Senator from Florida [Mr. PEPPER], and the Senator from Oklahoma [Mr. THOMAS] would vote "nay."

The Senator from Montana [Mr. WHEELER] is detained in a committee meeting.

The Senator from Virginia [Mr. BYRD], the Senator from Kentucky [Mr. CHANDLER], the Senator from Utah [Mr. MURDOCK], the Senator from Texas [Mr. O'DANIEL], the Senator from North Carolina [Mr. REYNOLDS], the Senator from Nevada [Mr. SCRUGHAM], and the Senator from New York [Mr. WAGNER] are necessarily absent. I am advised that if present and voting, the Senator from Utah [Mr. MURDOCK], the Senator from Kentucky [Mr. CHANDLER], and the Senator from New York [Mr. WAGNER] would vote "nay."

The Senator from New Mexico [Mr. HATCH] is leaving for New Mexico tonight, and is transacting business in some of the Government departments. I am advised that if present and voting, he would vote "nay."

The Senator from Indiana [Mr. JACKSON] and the Senator from Washington

[Mr. WALLGREN] are absent on official business. I am advised that if present and voting, the Senator from Indiana and the Senator from Washington would vote "nay."

The Senator from New York [Mr. WAGNER] has a general pair with the Senator from Kansas [Mr. REED].

The Senator from Utah [Mr. THOMAS] has a general pair with the Senator from New Hampshire [Mr. BRIDGES].

Mr. WHERRY. The Senator from New Hampshire [Mr. BRIDGES] is paired with the Senator from Utah [Mr. THOMAS]. The Senator from New Hampshire is necessarily absent.

The Senator from Nebraska [Mr. BUTLER], the Senator from South Dakota [Mr. GURNEY], and the Senator from Oklahoma [Mr. MOORE] are necessarily absent.

The Senator from Kansas [Mr. REED] has a general pair with the Senator from New York [Mr. WAGNER]. The Senator from Kansas is necessarily absent.

The Senator from New Hampshire [Mr. TOBEY] is absent on public matters.

The result was announced—yeas 22, nays 36, as follows:

YEAS—22

Aiken	Hawkes	Thomas, Idaho
Brewster	Holman	Weeks
Brooks	Langer	Wherry
Buck	Millikin	Wiley
Burton	Revercomb	Willis
Bushfield	Robertson	Wilson
Danaher	Shipstead	
Ferguson	Taft	

NAYS—36

Andrews	George	Maybank
Austin	Gerry	O'Mahoney
Ball	Gillette	Overton
Barkley	Green	Radcliffe
Bone	Guffey	Stewart
Capper	Hayden	Truman
Clark, Mo.	Hill	Tunnell
Connally	Kilgore	Tydings
Davis	La Follette	Vandenberg
Downey	McCarran	Walsh, Mass.
Eastland	McClellan	Walsh, N. J.
Ellender	McFarland	White

NOT VOTING—38

Bailey	Hatch	Pepper
Bankhead	Jackson	Reed
Bilbo	Johnson, Calif.	Reynolds
Bridges	Johnson, Colo.	Russell
Butler	Lucas	Scrugham
Byrd	McKellar	Smith
Caraway	Maloney	Thomas, Okla.
Chandler	Mead	Thomas, Utah
Chavez	Moore	Tobey
Clark, Idaho	Murdock	Wagner
Cordon	Murray	Wallgren
Glass	Nye	Wheeler
Gurney	O'Daniel	

So Mr. WILLIS' motion to recommit the conference report was rejected.

The VICE PRESIDENT. The question now recurs on the motion to agree to the conference report. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. DAVIS (when his name was called). Making the same announcement which I made in connection with the previous vote, as to the transfer of my pair with the Senator from Kentucky [Mr. CHANDLER], I am at liberty to vote. I vote "yea."

Mr. HAYDEN (when his name was called). I have a general pair with the senior Senator from North Dakota [Mr. NYE]. I transfer that pair to the junior

Senator from New York [Mr. MEAD] and will vote. I vote "yea."

Mr. McKELLAR (when his name was called). I have a general pair with the junior Senator from Oregon [Mr. CORDON]. Not knowing how he would vote if present, I withhold my vote.

The roll call was concluded.

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] and the Senator from South Carolina [Mr. SMITH] are absent from the Senate because of illness. I am advised that if present and voting, the Senator from Virginia would vote "yea."

The Senator from Montana [Mr. WHEELER] and the Senator from Nevada [Mr. McCARRAN] are detained in a committee meeting.

The Senator from Indiana [Mr. JACKSON] and the Senator from Washington [Mr. WALLGREN] are absent on official business. I am advised that if present and voting, the Senator from Indiana and the Senator from Washington would vote "yea."

The Senator from New Mexico [Mr. HATCH] is leaving for New Mexico tonight and he is transacting business in some of the Government departments. I am advised that if present and voting, he would vote "yea."

The Senator from North Carolina [Mr. BAILEY], the Senator from Alabama [Mr. BANKHEAD], the Senator from Idaho [Mr. CLARK], the Senator from Georgia [Mr. RUSSELL], and the Senator from Utah [Mr. THOMAS] are detained in various Government departments on matters pertaining to their respective States. I am advised that if present and voting, the Senator from Utah [Mr. THOMAS] would vote "yea."

The Senator from Mississippi [Mr. BILBO], the Senator from Arkansas [Mr. CARAWAY], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Colorado [Mr. JOHNSON], the Senator from Illinois [Mr. LUCAS], the Senator from Connecticut [Mr. MALONEY], the Senator from New York [Mr. MEAD], the Senator from Florida [Mr. PEPPER], and the Senator from Oklahoma [Mr. THOMAS] are detained on public business. I am advised that if present and voting, the Senator from Illinois [Mr. LUCAS], the Senator from New York [Mr. MEAD], the Senator from Florida [Mr. PEPPER], and the Senator from Oklahoma [Mr. THOMAS] would vote "yea."

The Senator from Kentucky [Mr. CHANDLER], the Senator from Utah [Mr. MURDOCK], the Senator from Texas [Mr. O'DANIEL], the Senator from North Carolina [Mr. REYNOLDS], the Senator from Nevada [Mr. SCRUGHAM], and the Senator from New York [Mr. WAGNER] are necessarily absent. I am advised that if present and voting, the Senator from Kentucky [Mr. CHANDLER], the Senator from Utah [Mr. MURDOCK], and the Senator from New York [Mr. WAGNER] would vote "yea."

The Senator from Utah [Mr. THOMAS] has a general pair with the Senator from New Hampshire [Mr. BRIDGES].

The Senator from New York [Mr. WAGNER] has a general pair with the Senator from Kansas [Mr. REED].

Mr. WHERRY. The Senator from New Hampshire [Mr. BRIDGES] is paired with the Senator from Utah [Mr. THOMAS]. The Senator from New Hampshire is necessarily absent.

The Senator from Nebraska [Mr. BUTLER], the Senator from South Dakota [Mr. GURNEY], and the Senator from Oklahoma [Mr. MOORE] are necessarily absent.

The Senator from Kansas [Mr. REED] has a general pair with the Senator from New York [Mr. WAGNER]. The Senator from Kansas is necessarily absent.

The Senator from New Hampshire [Mr. TOBEY] is absent on public matters.

The result was announced—yeas 47, nays 9, as follows:

YEAS 47

Alfken	Ferguson	O'Mahoney
Andrews	George	Overton
Austin	Gerry	Radcliffe
Barkley	Gillette	Robertson
Bone	Green	Stewart
Brewster	Guffey	Taft
Burton	Hawkes	Truman
Byrd	Hayden	Tunnell
Capper	Hill	Tydings
Clark, Mo.	Holman	Vandenberg
Connally	Kilgore	Walsh, Mass.
Danaher	La Follette	Walsh, N. J.
Davis	Langer	Weeks
Downey	McFarland	White
Eastland	Maybank	Wiley
Ellender	Murray	

NAYS—9

Brooks	Millikin	Wherry
Buck	Revercomb	Willis
McClellan	Shipstead	Wilson

NOT VOTING—40

Bailey	Hatch	Reed
Ball	Jackson	Reynolds
Bankhead	Johnson, Calif.	Russell
Bilbo	Johnson, Colo.	Scruggs
Bridges	Lucas	Smith
Bushfield	McCarran	Thomas, Idaho
Butler	McKellar	Thomas, Okla.
Caraway	Maloney	Thomas, Utah
Chandler	Mead	Tobey
Chavez	Moore	Wagner
Clark, Idaho	Murdock	Wallgren
Cordon	Nye	Wheeler
Glass	O'Daniel	
Gurney	Pepper	

So the conference report was agreed to.

APPOINTMENT OF BRIGADIER GENERALS OF THE LINE IN THE REGULAR ARMY

Mr. AUSTIN. From the Committee on Military Affairs I report back the amendment of the House of Representatives to the bill (S. 1410) to amend section 4 of the act approved June 30, 1940, with the recommendation that the Senate concur in the House amendment. I ask unanimous consent for immediate consideration of the amendment.

The VICE PRESIDENT. The amendment will be stated.

The Chief Clerk read the amendment of the House of Representatives to the bill (S. 1410) to amend section 4 of the act approved June 13, 1940, which on motion of Mr. AUSTIN on November 29 had been referred to the Committee on Military Affairs, as follows:

On page 1, strike out all after line 4 over to and including line 6, on page 2, and insert: "Sec. 4. That hereafter brigadier generals of the line shall be appointed from among officers of the line commissioned in grades not below that of lieutenant colonel who are credited with 28 years' continuous commissioned service in the Regular Army as hereinbefore provided and whose names are borne on an eligible list prepared annually by a

board of not less than five general officers of the line, not below the grade of major general: *Provided, however,* That not more than 25 percent of the total authorized number of brigadier generals of the line may be appointed, without regard to length of service, from among officers of the line commissioned in grades not below that of lieutenant colonel and whose names are borne on such eligible list. Hereafter appointment as chief of any branch shall be made from among officers commissioned in grades not below that of lieutenant colonel who are credited with 28 years' continuous commissioned service in the Regular Army as hereinbefore provided, and who have demonstrated by actual and extended service in such branch or on similar duty that they are qualified for such appointment."

The VICE PRESIDENT. The question is on concurring in the amendment of the House to Senate bill 1410.

The amendment was concurred in.

Mr. AUSTIN. Mr. President, for the sake of the RECORD, I ask to have inserted a memorandum for the President of the Senate, signed by President Roosevelt, dated October 1, 1943, which explains the occasion for the amendment of section 4. It explains it just as well as I could explain it, and since this bill has already been thoroughly considered and a full explanation made at the time it passed the Senate, I will refrain from further discussing the matter.

The VICE PRESIDENT. Without objection, the memorandum will be printed in the RECORD.

There was no objection.

The memorandum is as follows:

Attached is a list of nominations to fill vacancies among the permanent general officers of the line. The names of these particular officers are well known for the conspicuous services they have already rendered the Nation in the present emergency. Five of them, however, Lieutenant Generals Kenney and Clark and Major Generals Handy, Eaker, and Smith, have less than the legally prescribed 28 years of continuous commissioned service in the Regular Army which is required by the National Defense Act as a prerequisite to appointment as a brigadier general of the line of the Regular Army. The provisions of the National Defense Act quite evidently had in mind peacetime conditions because it is not conceivable that a lieutenant general, for example, in highly successful command of our Air Forces engaged with the enemy in the Southwest Pacific is not qualified for appointment as a brigadier general of the Regular Army.

I hope you will arrange for the necessary modification of the law to meet this situation.

FRANKLIN D. ROOSEVELT.

Mr. AUSTIN. Mr. President, I understand that the action taken by the Senate in concurring in the House amendment passes the bill. Is that correct?

The VICE PRESIDENT. The amendment is concurred in, and the bill is passed.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed without amendment the following bills of the Senate:

S. 1349. An act to authorize the Secretary of the Navy to convey to the city of New York certain lands within the Brooklyn Navy Yard in the city of New York;

S. 1428. An act to amend the provision of the act authorizing payment of 6 months' death gratuity to widow, child, or dependent relative of officers, enlisted men, or nurses of the Navy or Marine Corps, and for other purposes;

S. 1635. An act to eliminate a pay discrimination against the teacher of music at the United States Military Academy; and

S. 1653. An act to provide titles for heads of staff departments of the United States Marine Corps, and for other purposes.

The message also announced that the House had passed the following bills of the Senate, each with an amendment, in which it requested the concurrence of the Senate:

S. 1640. An act to authorize the Secretary of the Navy to accept gifts and bequests for the United States Naval Academy, and for other purposes; and

S. 1647. An act to amend the act approved March 2, 1895, as amended.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 2037. An act to codify and enact into absolute law, title 9 of the United States Code, entitled "Arbitration";

H. R. 2038. An act to codify and enact into absolute law title 4 of the United States Code, entitled "Flag and Seal, Seat of Government, and the States";

H. R. 2039. An act to codify and enact into absolute law title 6 of the United States Code, entitled "Official and Penal Bonds";

H. R. 2040. An act to codify and enact into absolute law, title 1 of the United States Code, entitled "General Provisions";

H. R. 2973. An act to provide that no person shall publish or distribute any political statement relating to a candidate for election to any Federal office which does not contain the name of the person responsible for its publication or distribution;

H. R. 4140. An act to amend section 334 (c) of the Nationality Act of 1940, approved October 14, 1940 (54 Stat. 1156-1157; 8 U. S. C. 734);

H. R. 4271. An act to amend the Nationality Act of 1940 to preserve the nationality of citizens residing abroad; and

H. R. 4414. An act making appropriations for the legislative branch and for the judiciary for the fiscal year ending June 30, 1945, and for other purposes.

The message also announced that the House had agreed to a concurrent resolution (H. Con. Res. 72) to provide for appropriate commemoration of the Centennial of the Telegraph on May 24, 1944, in which it requested the concurrence of the Senate.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred, as indicated:

H. R. 2037. An act to codify and enact into absolute law, title 9 of the United States Code, entitled "Arbitration";

H. R. 2038. An act to codify and enact into absolute law title 4 of the United States Code, entitled "Flag and Seal, Seat of Government, and the States";

H. R. 2039. An act to codify and enact into absolute law title 6 of the United States Code, entitled "Official and Penal Bonds";

H. R. 2040. An act to codify and enact into absolute law, title 1 of the United States Code, entitled "General Provisions"; and

H. R. 2973. An act to provide that no person shall publish or distribute any political

statement relating to a candidate for election to any Federal office which does not contain the name of the person responsible for its publication or distribution; to the Committee on the Judiciary.

H. R. 4140. An act to amend section 334 (c) of the Nationality Act of 1940, approved October 14, 1940 (54 Stat. 1156-1157; 8 U. S. C. 734), and

H. R. 4271. An act to amend the Nationality Act of 1940 to preserve the nationality of citizens residing abroad; to the Committee on Immigration.

H. R. 4414. An act making appropriations for the legislative branch and for the judiciary for the fiscal year ending June 30, 1945, and for other purposes; to the Committee on Appropriations.

HOUSE CONCURRENT RESOLUTION REFERRED

The concurrent resolution (H. Con. Res. 72) to provide for appropriate commemoration of the Centennial of the Telegraph on May 24, 1944, was referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

EXECUTIVE AND INDEPENDENT OFFICES APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 4070) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1945, and for other purposes.

The VICE PRESIDENT. The next amendment reported by the committee will be stated.

The next amendment was, under the heading "Federal Power Commission—Salaries and expenses," on page 13, line 24, after the word "periodicals", to strike out "\$2,000,000" and insert "\$1,997,000."

The amendment was agreed to.

The next amendment was, on page 15, line 8, after the word "lithographing", to strike out "\$30,000" and insert "\$25,000."

The amendment was agreed to.

The next amendment was, under the heading "Federal Trade Commission," on page 15, line 20, after the word "act", to strike out "\$2,011,070" and insert "\$1,978,707."

The amendment was agreed to.

The next amendment was, on page 16, at the end of line 2, to reduce the appropriation for printing and binding for the Federal Trade Commission from \$48,900 to \$43,000.

The amendment was agreed to.

The next amendment was, under the heading "Federal Works Agency—Public Buildings Administration," on page 19, line 13, after "(45 Stat. 533)", to strike out "\$3,000,000" and insert "\$2,000,000."

The amendment was agreed to.

The next amendment was, on page 20, line 11, after the word "conductors", to strike out "and the purchase of two motor-propelled passenger-carrying vehicles; \$29,532,400" and insert "\$29,530,000."

The amendment was agreed to.

The next amendment was, on page 21, line 4, after the word "employees", to strike out "purchase, repair, and cleaning of uniforms for guards and elevator conductors, the purchase of one motor-propelled passenger-carrying vehicle"; and in line 11, before the word "Provid-

ed", to strike out "\$10,581,000" and insert "\$9,581,000."

The amendment was agreed to.

The next amendment was, under the subhead "Federal-aid highway system," on page 24, line 23, after the word "probation", to strike out the colon and the following additional proviso: "Provided further, That not to exceed \$55,000 of the funds provided for carrying out the provisions of the Federal Highway Act of November 9, 1921 (23 U. S. C. 21, 23), shall be available for the purchase of motor-propelled passenger-carrying vehicles."

The amendment was agreed to.

The next amendment was, under the subhead "Inter-American Highway," on page 27, line 11, after the words "Revised Statutes", to strike out "including the purchase of motor-propelled passenger-carrying vehicles."

The amendment was agreed to.

The next amendment was, under the subhead "Strategic highway network," on page 28, line 5, after "(23 U. S. C. 104)", to strike out "\$20,000,000" and insert "\$10,000,000."

The amendment was agreed to.

The next amendment was, under the subhead "Surveys and plans," on page 28, line 24, before the word "to", to strike out "\$5,000,000" and insert "\$4,000,000."

The amendment was agreed to.

The next amendment was, on page 29, after line 2, to insert:

All funds heretofore appropriated to the Public Roads Administration for the construction of roads but impounded or withheld from obligation or expenditure by any agency or official are hereby released and made available for obligation or expenditure for the purposes for which they were originally appropriated.

The amendment was agreed to.

The next amendment was, under the heading "Foreign-Service pay adjustment," on page 29, line 23, after the word "therein", to strike out "\$722,390" and insert "\$640,000."

The amendment was agreed to.

The next amendment was, under the heading "General Accounting Office," on page 30, line 8, after the word "periodicals" and the semicolon, to strike out "the purchase of one motor-propelled passenger-carrying vehicle"; and in line 10, after the word "vehicles", to strike out "\$1,200,000" and insert "\$1,198,600."

The amendment was agreed to.

The next amendment was, under the heading "Interstate Commerce Commission, salaries and expenses," on page 34, line 15, after the word "services" and the semicolon, to strike out "purchase (not to exceed seven)"; and in line 19, after the word "act", to strike out "\$3,260,000" and insert "\$3,250,000."

The amendment was agreed to.

The next amendment was, under the heading "National Advisory Committee for Aeronautics," on page 36, line 3, before the word "maintenance", to strike out "purchase"; and in line 10, after the words "in all", to strike out "\$23,220,130" and insert "\$23,218,830."

The amendment was agreed to.

The next amendment was, under the heading "National Archives," on page 37,

line 9, after the word "vehicle", to strike out "\$1,042,340" and insert "\$1,084,000."

The amendment was agreed to.

The next amendment was, under the heading "National Housing Agency, Federal Housing Administration," on page 43, line 10, after the word "exceed", to strike out "\$10,484,635" and insert "\$10,184,635."

Mr. BARKLEY. Mr. President, on that amendment I wish to call the attention of the Senate and of the Senator from Tennessee to a situation in regard to the Federal Housing Administration which it seems to me should justify the Senate in rejecting the amendment.

What the amendment does is to reduce by \$300,000 the appropriation for the Federal Housing Administration. As we know, the Federal Housing Administration is one of the agencies of the Federal Government that is really self-sustaining. All its expenses are paid out of its income, and, in addition to that, money is turned back into the Treasury.

We know that while the Federal Housing Administration is not now as active in the matter of financing the construction and repair of houses as it was prior to the war, yet I think we can all look forward to a very great increase in the construction and repair of houses throughout the United States when the war is over. Of course, no houses can be built now and very little repair work can be done because of the scarcity of building materials and because of priorities which are unobtainable in regard to building material of all kinds. I have no doubt that, just as there will be Nationwide road building inaugurated at the conclusion of the war under the provisions of legislation which I think we may anticipate to the same extent and along with it will come a resurgence of house building in the United States, because by the time this war is over and materials become available there will no doubt be a general desire and need for more houses in the United States to shelter people who are now being housed in various war areas by facilities which the Government has built. Those facilities will not be available in widely scattered sections of the country and there will undoubtedly be a great need for more housing facilities, affording an outlet for house-building material, and for the employment of carpenters, plumbers, and the like. It seems to me unwise to reduce by \$300,000 the appropriation for this self-sustaining agency, so that it will have to disband part of its organization in order to meet the reduced appropriation. It should be encouraged to be looking forward to the time when the Federal Housing Administration will be more greatly needed than it is now, and in my judgment even more so than it may have been when the organization was set up.

I am wondering whether the Senator from Tennessee does not realize the importance of this situation. I have here a copy of a letter furnished me by the Commissioner, which is a copy of a letter sent to the Senator from Tennessee. I was hoping really as much to persuade the Senator from Tennessee not to insist on the amendment as to have the Senate reject it.

Mr. ANDREWS. Mr. President, if the Senator will yield, how does the amount \$10,184,635 compare with former appropriations for the same purpose?

Mr. BARKLEY. I think the appropriation for the fiscal year 1944, which ends the 30th of next June, is \$11,159,830. That is \$929,000 plus per month, or \$6,509,000 for the first 7 months of the fiscal year. The appropriation carried in the bill as it passed the House was \$10,484,635, which is a reduction of about half a million dollars in the House bill from the current appropriation. The Senate committee amendment reduces it further by \$300,000.

Mr. ANDREWS. I thank the Senator.

Mr. McKELLAR. Mr. President—

The PRESIDING OFFICER (Mr. OVERTON in the chair). Does the Senator from Kentucky yield to the Senator from Tennessee?

Mr. McKELLAR. The Senator from New Jersey [Mr. WALSH] spoke to me about this amendment. I do not see him in the Chamber at the moment.

Mr. McCLELLAN. I have sent for the Senator from New Jersey so that he may be present during the consideration of the amendment.

Mr. McKELLAR. The Senator from New Jersey spoke to me about this matter, and I had it investigated. I found that the amendment was reported by the subcommittee, and was agreed to as a matter of course. There is some overtime which necessarily will have to be taken care of in the appropriation, and, so far as I personally am concerned, I shall not ask that the amendment be agreed to.

Mr. BARKLEY. I thank the Senator from Tennessee.

Mr. McKELLAR. I am sorry the Senator from New Jersey is not present, because I told him I would let him know when we reached this amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. LANGER. On what page is the amendment?

The PRESIDING OFFICER. On page 43, lines 10 and 11.

The amendment was rejected.

Mr. HOLMAN. Mr. President, I had desired to ask what justifies increasing the amount.

Mr. McKELLAR. It is not an increase. There is a question of overtime, which has arisen under the law.

Mr. HOLMAN. I was merely interested in the question of dollars and cents.

Mr. WHITE. Mr. President, rejecting the amendment merely restores the amount provided by the House?

Mr. McKELLAR. Yes; and if it is not restored, I am informed, there will be a question as to paying for overtime.

The PRESIDING OFFICER. The clerk will state the next amendment of the Committee on Appropriations.

The next amendment was, under the subhead "Federal Public Housing Authority," on page 46, line 8, after the word "exceed", to strike out "\$2,782,440" and insert "\$2,772,940", and in line 13, before the word "maintenance," to strike out "purchase (not to exceed 10)."

The amendment was agreed to.

The next amendment was, under the heading "Tariff Commission," on page 51, line 1, after "1330-1341", to strike out "\$930,000" and insert "\$980,000."

Mr. LANGER. Mr. President, I wish to go back to page 48 and ask for an explanation of the item in line 7. I desire to know how many rubber gloves we are buying for the Securities and Exchange Commission, and why we are buying any.

Mr. McKELLAR. I am sure it is a very small quantity. They are used by those doing photostatic work in the laboratory.

Mr. LANGER. There is no provision for a laboratory.

Mr. McKELLAR. No, but they have photostatic apparatus. When I said "laboratory" I was speaking very broadly. They carry on photostatic work, in which it is necessary to use rubber gloves.

Mr. LANGER. Can the Senator give us an idea as to what the appropriation amounts to?

Mr. McKELLAR. It is a very small amount. I can ascertain the figure and put it in the Record.

Mr. LANGER. May we pass it over temporarily?

Mr. McKELLAR. Very well.

Mr. BARKLEY. There is no amendment involved.

Mr. McKELLAR. The Senator from North Dakota would have to offer an amendment, if he desired to take out the word "gloves."

Mr. LANGER. I do not want to take it out, but I do want an explanation.

Mr. McKELLAR. I will find out about it.

The PRESIDING OFFICER. The question is on agreeing to the amendment on page 51, line 1.

The amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment of the Committee on Appropriations.

The next amendment was, under the heading "Tennessee Valley Authority," on page 51, line 17, after the name "Kentucky" and the semicolon, to strike out "Watts Bar steam plant; Fort Loudoun Dam (including an extension to bring the waters of the Little Tennessee River within the pool of this project)."

Mr. BANKHEAD. Mr. President—

The PRESIDING OFFICER. The Senator from Alabama.

Mr. BARKLEY. Does this amendment and do the following amendments relate to the T. V. A.?

Mr. McKELLAR. Yes.

Mr. RUSSELL. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Alken	Byrd	Gillette
Andrews	Capper	Green
Austin	Clark, Idaho	Guffey
Bailey	Clark, Mo.	Hawkes
Ball	Connally	Hayden
Bankhead	Danaher	Hill
Barkley	Davis	Holman
Bone	Downey	Kilgore
Brewster	Eastland	La Follette
Brooks	Ellender	Langer
Buck	Ferguson	McCarran
Burton	George	McClellan
Bushfield	Gerry	McFarland

McKellar	Shipstead	Walsh, N. J.
Maybank	Stewart	Weeks
Millikin	Taft	Wheeler
Murray	Thomas, Idaho	Wherry
O'Mahoney	Thomas, Utah	White
Overton	Truman	Wiley
Radcliffe	Tunnell	Willis
Revercomb	Tydings	Wilson
Robertson	Vandenberg	
Russell	Walsh, Mass.	

The PRESIDING OFFICER. Sixty-seven Senators having answered to their names, a quorum is present.

Mr. HILL. Mr. President, we have now reached the point in the bill where we have before us for consideration the amendments with reference to the Tennessee Valley Authority. If these amendments affecting T. V. A., sponsored by the Senator from Tennessee and approved by the committee, are adopted, every substantial decision with respect to the operation of this great enterprise will be moved to Washington. Under these amendments, absentee management in Washington, remote control of the details of operation of the T. V. A.'s vast power system, would be substituted for management by technicians in the Tennessee Valley, where responsibility now is lodged by act of Congress.

I cannot now recall a more dangerous step toward centralization in Washington than that before us. I am against these proposals. Senators who do not now speak out can never with good conscience rise to cry out against the evils of overcentralization in Washington. No Senator who votes now to approve the Senator's amendments can ever again complain about inefficiency and extravagance in the executive branch of the Government. For by the adoption of these amendments the Senate will have approved the impossible, wasteful, and unbusinesslike step of managing from the Halls of Congress a huge power system, 500 miles away from where we sit.

What is here proposed is a gross perversion of our system of constitutional Government. Congress was established to determine the policies of a great Nation, not to decide such technical questions as whether a transmission line should be of 154,000- or 66,000-volt capacity. These amendments depart from the great traditions of our democracy; for, by adopting them, we would remove to this far-off Chamber control over the details of a power operation. Mr. President, the Constitution intended that Senators be legislators, not electrical engineers.

It is an ironic circumstance that amendments that foster centralization in Washington should come from my distinguished friend the senior Senator from Tennessee, a Senator from a state that, like Alabama, stoutly opposes overcentralization.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. HILL. I yield to my friend, the Senator from Tennessee.

Mr. McKELLAR. I should like to ask the Senator if he knows of any other department or activity of Government which collects money and which is not required by law to pay the receipts into the Treasury of the United States.

Mr. HILL. There are a number of departments of the Government which are

accorded certain discretionary powers and certain flexibility and independence in the operations they carry on.

Mr. McKELLAR. Which ones are they?

Mr. HILL. The R. F. C. has certain flexibility and certain independence, as also do the Export-Import Bank, the War Shipping Administration, and the Maritime Commission. However, there are a number of other agencies which have similar powers. If the Senator would like to have me do so, I could read a list of them into the Record.

Mr. McKELLAR. I should like to have a list of them read into the Record. I looked up the question, and the only one which was suggested to me was a small activity in the city of Washington, the Alley Dwelling Authority. I found that the Congress had either at the time of its creation or subsequent thereto required it to pay its receipts into the Treasury.

The R. F. C. is in a very different situation. It lends money. That is very different from collecting money for the Government. The Senator from Alabama knows—and the Senator voted for the T. V. A. Act, I am sure, if he was then a Member of the House or of the Senate—that the original T. V. A. Act of 1933, as passed by the Congress, required all receipts to be paid into the Treasury of the United States. The only reason why that provision of the act is not operative today is that in appropriation bills Mr. Lillenthal secured the enactment of a provision that he might use the receipts of the previous year. However, as a matter of fact, the original act contained a provision requiring the T. V. A. to pay the receipts into the Treasury of the United States.

Mr. HILL. Mr. President, in response to what the Senator has said, let me say that, of course, all receipts taken in by the T. V. A. and all receipts of other Government corporations finally go into the Treasury, as they should go. However, the Senator from Tennessee is in error, if he will permit me to say so, in his reference to the original act. I was not only a Member of Congress when the original act was passed but I was a member of the House committee which had jurisdiction over the matter in the House, and I sat on the conference committee as one of the House conferees. The original section 26 of that act contained the following provision:

The net proceeds derived by the Board—

That is to say, by the T. V. A. Board—from the sale of power and any of the products manufactured by the Corporation, after deducting the cost of operation, maintenance, depreciation, amortization, and an amount deemed by the Board as necessary to withhold as operating capital, or devoted by the board to new construction, shall be paid into the Treasury of the United States at the end of each calendar year.

That is exactly the language used in the original act, as that act passed the Congress of the United States. It gave to the T. V. A. Board the power to withhold operating capital. That is what I am contending for today, namely, that the Board may have certain leeway and

certain flexibility with reference to operating capital.

The truth of the matter is that the language of the appropriation bill which the Senator now seeks to change and amend is more stringent than section 26 of the basic T. V. A. Act.

Mr. McKELLAR. Mr. President, the Senator has spoken of what I propose to change and amend. The Senator is wholly mistaken. The House provision amends the organic act of the T. V. A. by permitting the money to be retained and used by the T. V. A. Board. My amendment or the amendment proposed by the committee is merely one to restore the original provision.

Now, I desire to read into the Record—

Mr. HILL. Just a minute, Mr. President. The Senator is entirely in error when he says that his amendment is merely one to restore the original provision. If the Senator from Tennessee will read the language of the original provision, as I have read it into the Record, he will observe that his amendment is nothing at all like the language of the original bill.

Mr. McKELLAR. It goes further than the language of the original bill.

Mr. HILL. No; it does not read anything like the language of the original bill. The language of the original bill permitted the Board to withhold receipts for operating capital or, as the language provided, to be devoted by the Board to new construction.

Mr. McKELLAR. Mr. President, if that had been correct—

Mr. HILL. Mr. President, let me say to the Senator that the question is not one of what is correct or what is not correct. The language I have read to the Senate is taken verbatim, ad literatim, from the original act.

Mr. McKELLAR. Let me read section 26 of the present law.

Mr. HILL. Very well.

Mr. McKELLAR. It reads as follows:

Commencing July 1—

Mr. HILL. Mr. President, there the Senator is in error again. What the Senator is seeking to read now is not what was contained in the original act. He has commenced to read section 26 as amended in 1935. However, if he wishes to read section 26, as amended in 1935, I shall be glad to have him do so.

Mr. McKELLAR. Mr. President, if the Senator is going to yield to me—

Mr. HILL. Let me say to the Senator, if he will permit me to do so, and then I shall yield to him, that he must remember that in 1933 the Congress passed the original act with section 26 in it. I have read to the Senate the language of section 26 of the original act. Subsequently, in 1935, the Congress amended the original act, and, in 1935, amended section 26 of the original act. If the Senator wishes to read section 26, as amended by the act of 1935, I shall be glad to yield to him. I shall read to the Senate section 26, as amended in 1935—in other words, section 26 as it now stands in the Tennessee Valley Authority Act, as amended. It provides as follows:

Commencing July 1, 1936, the proceeds for each fiscal year derived by the Board from the sale of power or any other products manufactured by the Corporation, and from any other activities of the Corporation including the disposition of any real or personal property, shall be paid into the Treasury of the United States at the end of each calendar year, save and except such part of such proceeds as in the opinion of the Board shall be necessary for the Corporation in the operation of dams and reservoirs, in conducting its business in generating, transmitting, and distributing electric energy and in manufacturing selling, and distributing fertilizer and fertilizer ingredients. A continuing fund of \$1,000,000 is also excepted from the requirements of this section and may be withheld by the Board to defray emergency expenses and to insure continuous operation.

That is section 26.

Mr. McKELLAR. And that is the present law.

Mr. HILL. Let me say to the Senator that that is not the present law, for this reason: In the various appropriation bills which have been enacted during the past 7 years, we have changed section 26, so that today the T. V. A. is really not operating strictly under section 26 as amended. Under the language of section 26 originally, and section 26 as amended, the T. V. A. could deposit its receipts anywhere it saw fit, withholding the receipts under the powers granted in section 26. In appropriation bills we provided that the T. V. A. should pay its receipts into a special fund in the Treasury. The T. V. A. receipts have gone into a special fund in the Treasury, and each year Congress has reappropriated the funds which have accumulated in the special T. V. A. fund, together with any other moneys which the T. V. A. needed for the operation of its projects.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. McCLELLAN. Under the present procedure, which the Senator has outlined, are all funds expended by the T. V. A. now required to be appropriated by Congress from year to year?

Mr. HILL. No.

Mr. McCLELLAN. As I interpreted the Senator's statement, it implied as much.

Mr. HILL. The T. V. A. now has the power to draw on those funds for operating expenses or to meet emergencies.

Mr. McCLELLAN. Does this fund actually go into the Treasury of the United States?

Mr. HILL. No; it actually goes into a special T. V. A. fund in the Treasury.

Mr. McCLELLAN. A special fund set up in the Treasury?

Mr. HILL. A special fund set up in the Treasury.

Mr. McCLELLAN. After the money is paid into that fund by the T. V. A., can it withdraw it at will without an appropriation by Congress?

Mr. HILL. It can withdraw it to meet operating expenses, or to meet emergencies.

Mr. McCLELLAN. Can it withdraw all of it, or any part of it it may desire to withdraw, without an appropriation or affirmative action by Congress?

Mr. HILL. It can during that particular fiscal year.

Mr. McCLELLAN. And it is doing so now?

Mr. HILL. It is doing so now. It can do so for that particular fiscal year. To make that money available for the next fiscal year, Congress has reappropriated whatever might be left in the fund, and in addition appropriated any other moneys which might be necessary for the T. V. A.

Mr. McCLELLAN. During any particular fiscal year, it can withdraw any money it pays in, before the year is concluded.

Mr. HILL. That is correct. It has a great transmission line running from Tennessee into the Senator's State of Arkansas. If there should be a tornado and that line should be blown down, the T. V. A. could withdraw from this fund whatever might be necessary to rehabilitate and restore the line.

Mr. McCLELLAN. Aside from emergencies, can it withdraw money from the fund for any other purposes?

Mr. HILL. It can withdraw money from the fund only to meet emergencies, and for such other purposes as are set out in section 26—"in conducting its business in generating, transmitting, and distributing electric energy and in manufacturing, selling, and distributing fertilizer and fertilizer ingredients."

Mr. McCLELLAN. That is the purpose for which it functions?

Mr. HILL. That is the purpose for which it functions.

Mr. McCLELLAN. So it can withdraw money from the fund for any purpose for which it operates.

Mr. HILL. It has done some other work. It has conducted certain experiments. As the Senator knows, it has conducted experiments with reference to obtaining alumina from the clays of Arkansas. Instead of having to send to South America or the Far East to obtain aluminum clays, it has carried on experiments to ascertain if it is not possible to obtain alumina from the clays in Arkansas. If it should need extra money for those experiments, I doubt if it could take it out of the special fund. Those experiments have been directly appropriated for.

Mr. McCLELLAN. That is what I was about to ask. Has the money which it has expended for those purposes been directly appropriated?

Mr. HILL. Most of it has been directly appropriated.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. McKELLAR. Does the Senator mean to say that funds for experimental purposes have been directly appropriated by Congress?

Mr. HILL. I do not mean to say that the Congress specifically used the words "alumina investigations," but it has made appropriations for investigations. In the language of the bill the Senator will find the word "investigations."

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. ELLENDER. The Senator has stated that some of the funds of the T. V. A. are appropriated by Congress. Does he not refer to such funds as may be left over from year to year?

Mr. HILL. They were funds which were left over; and, particularly in the early days, there were large appropriations, because there was not much income.

Mr. ELLENDER. The Senator referred to funds left over from one year to another.

Mr. HILL. Funds which had been taken in as receipts, and which the Congress reappropriated for the next fiscal year. Some other funds have also been appropriated directly out of the Treasury. That was particularly true in the early days, before the T. V. A. had much income. In the early days the T. V. A. had a very small income and very large expenditures, because of the construction of many dams.

Mr. ELLENDER. I had reference to the income of T. V. A.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. McCLELLAN. I am seeking information. Is there any other independent agency of the Government which operates in the same manner, and has a special fund from which it can make expenditures from time to time without direct appropriations by Congress?

Mr. HILL. Of course, there is no other agency operating exactly as the T. V. A. operates. It operates a power system, and also carries on work in the development of fertilizers. However, there are a number of agencies which are given flexibility, discretion, and independence in the handling of their funds.

Mr. McCLELLAN. That is by specific language, either in the basic acts creating such agencies, or in the appropriations made for their benefit.

Mr. HILL. That is correct. For example, this is the language of the Commodity Credit Corporation Act:

The Corporation is hereby authorized to use all its assets, including capital and net earnings therefrom and all moneys which have been or may hereafter be allocated to or borrowed by it, in the exercise of its functions as such agency, including the making of loans on agricultural commodities.

In the same way, certain flexibility and independence are given to the Export-Import Bank, the Reconstruction Finance Corporation, the Home Owners' Loan Corporation, the Federal Deposit Insurance Corporation, and the Inland Waterways Corporation. I am sure the Senator is familiar with the Inland Waterways Corporation, because it operates on the Mississippi River in his State. A similar flexibility exists in the operations of the War Shipping Administration, under the Maritime Commission.

When we have created a Government corporation and then have imposed upon the corporation duties and functions of a private corporation, we have given to the corporation the flexibility and independence which it had to have in order to function as a private corporation.

The fact is that when the President sent his message to Congress back in 1933 asking for the T. V. A. legislation, he used the following words:

To create a corporation clothed with the power of government—

Clothed with the power of government—

but possessed of the flexibility and initiative of a private enterprise.

That is exactly what we sought to do in setting up the T. V. A.—to give those powers to the T. V. A., just as I have said we have given kindred or similar powers to other corporations which carry on the business of a private corporation.

I wish to emphasize, Mr. President, that in the original act, and in the original act as amended in 1935, as well as in the language which has been carried in appropriation bills up to the present day, the T. V. A. has had this flexibility, this right, and this power to use the receipts for the purposes which I have previously stated and read from the act.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. McKELLAR. If what the Senator says is correct, why did the T. V. A. ask for and receive from the other House an amendment to the bill? The amendment is somewhat different from what has been offered heretofore. The House is undertaking to change the law, and that is the only reason why the amendments which the committee has offered are in order. They would not be in order unless the House had endeavored to change the law.

Mr. HILL. I shall tell the Senator exactly why that was done.

Under the original section 26 of the T. V. A. Act as amended, there was no provision or requirement with reference to where or how the T. V. A. should deposit its funds. Under the original section 26, and under section 26 as amended, the T. V. A. could deposit its money in a bank at Knoxville, Tenn., or at Sheffield, Ala., or at any place it saw fit. It could put its money in many different banks.

The T. V. A., after operating for a little more than 2 years, and after many conferences with the Comptroller General and with the members of the House Committee on Appropriations, and more particularly with the then chairman of the House committee, Mr. Buchanan, Representative from Texas, concluded that it would make for better auditing by the Comptroller General, and that it would make for better reporting to the Congress, if, instead of the T. V. A. depositing its money, amounting to many millions of dollars in private banks, it should have a special fund in the Treasury, put the money into such special fund, and use the Treasury of the United States as its bank instead of using many different private banks. That was the reason for its practice, and I invite attention to the fact that in this very language on page 52, line 23, we find the words "subject to the provisions of section 26 of the Tennessee Valley Authority Act of 1933 as amended." Those

words were incorporated in the provision for the express purpose of retaining in the Tennessee Valley Authority Board the power given by section 26 to use the receipts for the purposes enumerated in section 26. So, when the money went into this special fund in the Treasury, the Board would not lose control of it, as it would lose control unless this particular language were in the bill. However, at all times, under section 26 originally, and as amended, under the language which has been carried in appropriation bills for the past 6 or 7 or 8 years, under all these provisions, the T. V. A. Board has had the power to check on these funds, to use them for the current expenses enumerated in section 26, in order to carry on its power operations and fertilizer manufacturing operations.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. AIKEN. The Senator mentioned the Tennessee Valley Authority being audited by the General Accounting Office. Am I correct in understanding that there was some question raised as to whether auditing by the General Accounting Office was required by law, and that an agreement was reached between the T. V. A. and the General Accounting Office looking toward the auditing of the Authority by the Comptroller General?

Mr. HILL. The Senator is correct.

Mr. AIKEN. There is still some question whether such auditing is required by law, is there not?

Mr. HILL. There was no question about it being required by law. Questions rose in the early days because, as we must recall, the T. V. A. project was a vast, new undertaking in our Government. We had never before had a great corporation such as the T. V. A. Some question arose in the early days about certain powers of the Comptroller General, but I say to the Senator that those questions have long been resolved, and there is no conflict at the present time whatever between the Comptroller General and the T. V. A.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. McKELLAR. On the contrary, does not this bill provide for an appropriation of \$30,000, or an allotment of \$30,000, with which to pay for the auditing by probably a Montgomery auditing firm? It is a firm located in that neighborhood.

Mr. HILL. To which city of Montgomery does the Senator refer?

Mr. McKELLAR. I am referring to Montgomery, Ala.

Mr. HILL. No; the Senator is entirely in error. It was not any firm in Alabama.

Mr. McKELLAR. It was a firm located somewhere.

Mr. HILL. The T. V. A. has ordered that an audit be made by the Comptroller General, but it has also had a separate audit made by commercial auditors. I do not know that I wish to go into all the details at this particular juncture in my remarks. The kind of audit the T. V. A. receives at the hands of the

Comptroller General is different from that made by a commercial auditing concern. A commercial auditing concern goes into questions of depreciation, amortization, and all the many other questions which affect private corporations, matters with which the Comptroller General does not attempt to deal. The Comptroller General primarily goes into the question of whether or not the money was expended as the law provided it should be expended, and whether there has been an honest expenditure of the money. An audit made by a commercial auditing concern is a different kind of audit. The truth is that an audit made by a commercial concern is similar to calling in financial engineers, shall we say, for advice, to make sure that depreciation is properly being taken care of, that amortization is being properly taken care of, and to look into various matters of that kind.

In this connection I may say that the chairman of the Committee on Governmental Accounting of the American Institute of Accountants, and the executive secretary of the American Institute of Accountants, came to see me. They had no personal interest, for neither one of those gentlemen had ever been employed to audit the T. V. A.; neither one of them had ever made a dollar out of the T. V. A. However, they thought it was important that the Members of Congress realize there was a vast difference between the audit the Comptroller General makes of the average governmental agency and the business audit made by a private auditing concern. The truth is that a private concern goes over the whole system and provides a financial chart and compass by which to check on the many details and questions which must enter into sound and business-like operations of a great system such as the T. V. A.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. AIKEN. It is true, however, is it not, that an organization which is Government sponsored, known as the Tennessee Valley Cooperative Association, or some such name, is not audited by the General Accounting Office.

Mr. HILL. What is the name of the organization?

Mr. AIKEN. There is an organization known as the Tennessee Valley Cooperative Association. It is listed as a Government agency. I do not know what it is.

Mr. HILL. There may be some organization by that name in that section, but I may say to the Senator that any association or organization down there which is spending any Government money is certainly audited by the Comptroller General. There may be some kind of private R. E. A. outfit or some other association of farmers or even people in cities or towns that use the name Tennessee Valley Cooperative Association, but they are not in any way expending any Government money. They may be purchasers of the power. We have cooperative associations that purchase T. V. A. power, but they are not in any way expending Government funds

and they are not under the control of the T. V. A. They constitute purchasers from the T. V. A.

Mr. BARKLEY. I understand this Tennessee Valley Cooperative Association is an organization of consumers of power furnished by the T. V. A.

Mr. HILL. Yes; and they would not be spending any Government money and they would not be under the control of the T. V. A.

Mr. BARKLEY. That is as I understand it.

Mr. HILL. Their only connection with the T. V. A. would be that they would buy power from the T. V. A., just as there are a number of rural electric cooperatives among the farmers in Tennessee and Alabama who buy power from the T. V. A., but those cooperatives constitute separate organizations entirely from the T. V. A. and are not under the control in any way of the T. V. A.

Mr. President, at this point in my remarks I think I shall ask to have placed in the Record the statement submitted by Mr. George P. Ellis, chairman of the Committee on Governmental Accounting of the American Institute of Accountants. If any of the Senators interested in this subject would like to know about the independent audit, I shall be glad to read the whole statement; otherwise, I shall put it in the Record, and proceed with my remarks.

I may say, however, that if the Senate had heard the statements of these gentlemen about what an independent audit would do for T. V. A. and what it would mean to T. V. A. from the standpoint of sound financing and efficient and businesslike operations the Senate would want the independent audit made; I think there can be no question about that.

I notice that my distinguished friend, the Senator from Georgia, seems to be in agreement. I hope he is in agreement with me that it is a thing that ought to be done, and is done by every good businessman.

Mr. RUSSELL. I will say to the Senator from Alabama that I think it is tremendously important that such an audit should be made, because it would reach many funds in this operation that would not be touched at all by the Comptroller General.

Mr. HILL. Exactly. As the Senator from Georgia says, there is no doubt that an independent audit ought to be made.

Mr. President, I do not want to be critical of my friend from Tennessee or the committee which adopted his amendment, but here is a perfect illustration of what is encountered when a committee in Washington undertakes to operate the T. V. A. I know how it is with committees of which I am a member. They are under great pressure of time and under great stress and strain. The committee did not go into this; perhaps it did not have time to go into it, and on the face of it it looked as if it were a wasteful expenditure in that there would be two audits. The question might be asked why it is not sufficient to have one audit, an audit by the Comptroller General, who is paid by the Government and

has employees who are paid by the Government. Naturally, in the minds of many Senators the question arises, Why should we spend \$30,000 for another audit? The reason is that the audit made by commercial auditors becomes an entirely different kind of audit from the audit made by the Comptroller General, and is a very necessary audit for the operation of any business of the size and magnitude of the T. V. A.

I ask, Mr. President, that this statement in full be placed in the RECORD at this point.

The PRESIDING OFFICER (Mr. McFARLAND in the chair). Without objection, it is so ordered.

The statement is as follows:

STATEMENT BY COMMITTEE ON GOVERNMENTAL ACCOUNTING, AMERICAN INSTITUTE OF ACCOUNTANTS ON ELIMINATION OF APPROPRIATION FOR INDEPENDENT AUDIT OF T. V. A. FROM INDEPENDENT OFFICES APPROPRIATION BILL FOR 1945

We believe the appropriation for independent audit of the Tennessee Valley Authority should be restored for the following reasons:

1. (a) The audit conducted by the General Accounting Office does not accomplish the same purposes as the audit conducted by independent certified public accountants. The word "audit" is used in different senses. The type of audit conducted by the General Accounting Office is primarily designed to determine whether expenditures are legal and within the authorized appropriations. The type of audit conducted by independent certified public accountants is entirely different. It is designed to determine whether the balance sheet and income statement fairly present the financial position and results of operations of the corporation.

(b) Independent audit involves an extensive examination based on tests and samples of the accounts underlying the financial statements and a review of the internal control of the corporation to ascertain whether (1) the accounts are reliable, and (2) they fairly reflect the transactions.

(c) This type of examination conducted by independent certified public accountants requires a consideration of whether the accounting methods employed by the corporation are in conformity with generally accepted accounting principles, and whether or not they have been consistently applied from year to year.

(d) The form of independent accountants' report (or certificate) appended to financial statements of the Tennessee Valley Authority is the conventional form customarily found in conjunction with financial statements of large industrial enterprises. The wording of this report or certificate has taken on special meaning because of its relation to pronouncements of the American Institute of Accountants, the Securities and Exchange Commission, the New York Stock Exchange, and the courts. The independent certified public accountant who signs this form of auditors' report or certificate assumes the responsibility of demonstrating, if necessary, that he satisfied himself as to the fairness of the items in the financial statements by means of an examination made in accordance with generally accepted auditing standards applicable in the circumstances. These standards are well known in the accounting profession and the financial world, and are outlined in some detail in bulletins of the American Institute of Accountants, notably Examination of Financial Statements by Independent Public Accountants and Extensions of Auditing Procedures, as well as others of the series of bulletins, now numbering 18, known as Statements on Auditing Procedure.

2. (a) The Tennessee Valley Authority, while a Government corporation, engages in activities similar to those of privately owned enterprises. Its management is entitled to the assistance derived through an independent audit by professional certified public accountants just as it is entitled to legal counsel of the type available to privately owned industrial enterprises of the same nature.

(b) A comparison between the results of operations of the T. V. A. and privately owned enterprises of the same type would be more difficult if financial statements of T. V. A. were not audited in the manner customary among privately owned enterprises. The absence of the independent auditors' report or certificate would leave question as to whether generally accepted accounting principles had been followed in the presentation of the financial statements, and as to whether the underlying accounts and records had been tested and internal control reviewed in accordance with generally accepted auditing standards. It is believed that the type of audit conducted by the General Accounting Office does not lead to conclusions on these questions but rather on the legality and propriety of expenditures.

3. The standards and methods of governmental corporations ought not to be inferior to those of privately owned enterprises. It is significant that the Securities and Exchange Commission and the New York Stock Exchange require audits of corporations subject to their jurisdiction similar to the type of audit of the T. V. A. conducted by independent certified public accountants. Both the S. E. C. and the New York Stock Exchange accept the conventional short form of independent accountants' report or certificate which has also been utilized by the independent accountants who have audited T. V. A.

Respectfully submitted.

GEORGE P. ELLIS,

Chairman, Committee on Governmental Accounting, American Institute of Accountants.

Mr. HILL. Mr. President, the people of the State of Andrew Jackson, like the people of Alabama, have never looked with favor upon absentee control. They have been wonderfully well satisfied with the system Congress provided for the management of T. V. A. in 1933. They want major policies to be determined by the Congress. They want Congress to decide whether rivers should be developed and the general policy for their development. But the people want the day-to-day decisions through which management carries out those policies to be made close to them, responsive to their needs. If these amendments should become law, they will bring an end to the only real accomplishment in decentralization to which we can point.

Mr. McCLELLAN. Mr. President, will the Senator yield at that point?

Mr. HILL. I yield to the Senator from Arkansas.

Mr. McCLELLAN. For information, let me ask an expenditure be made in the further development of a river, such as the construction of new dams, without the dams having first been authorized by the Congress?

Mr. HILL. No; I should say that the dams have to be specifically authorized by the Congress.

Mr. McCLELLAN. In other words, the funds collected in the form of receipts by the T. V. A. from its operations, once deposited in this fund in the Treasury, cannot then be withdrawn and used for the

construction of new developments, such as dams on streams, until and unless such dams have been specifically authorized by the Congress?

Mr. HILL. I should say so. The Authority might use certain receipts to repair a dam or to do some small work of rehabilitation or restoration around a dam or something of that kind, or they might install additional transformers, but, so far as building a great dam on the river is concerned, I should say that T. V. A. would have to come to Congress and the dam would have to be specifically authorized.

Mr. McCLELLAN. There is nothing in this proposed act by which T. V. A. would have to come to Congress.

Mr. HILL. There is nothing in the proposed act that would change the situation with reference to a dam. I have no complaint about the Authority having to come to Congress to construct dams. I think they ought to come to Congress if they are going to build a great dam, but I think they ought to be allowed to operate the power business on a businesslike, efficient basis, and in order to do that they must have a certain flexibility and leeway with reference to their receipts.

When the Senator from Arkansas pays his electric bill to the Potomac Electric Power Co., of Washington, he not only pays an obligation for electricity he has received, but he pays it on the basis that he will know that he is going to continue to obtain electricity; that if a storm comes or a tornado comes, or even if Washington should be bombed, the private power company will fix its lines and make such repairs as will enable him to continue to obtain electricity, without the company being compelled to come to Congress and get an appropriation.

Mr. McCLELLAN. Mr. President, will the Senator yield further?

Mr. HILL. I yield.

Mr. McCLELLAN. If the power is granted to operate such installations and facilities as the Authority may have already constructed, and the Congress makes appropriations for their continuous maintenance and repair, I do not see that there is any particular argument that a fund should be set aside with which the Authority can do just as it pleases, when an appropriation can be made to meet contingencies.

Mr. HILL. The T. V. A. cannot do as it pleases with the fund. It is limited to the power granted in section 26 as amended. I will say, however, that when the appropriations are arrived at no man can foresee what the months are going to bring. I shall refer to that a little further on if I may go ahead, not that I do not want to answer the Senator's questions, for I shall be glad to do so. However, let us see what happens. The T. V. A. will go to the Budget Bureau along in August or September and submit an estimate. The money appropriated according to the estimate will not be available until the following July, and it will have to last through the whole fiscal year. So they submit their estimates more than 18 months in advance for

their appropriations, and no man can foresee that far ahead.

Mr. McCLELLAN. Mr. President—

Mr. HILL. I do not want to cut off the Senator from Arkansas, but I intend to speak upon that later.

Mr. McCLELLAN. I merely want to make one further observation. If a contingent fund is needed for emergencies and for operation expenses, the point I make is, Do they need all the revenues they take in and hold in such a fund, which they can use at will? Would it not be better governmental procedure to make a special appropriation to meet such contingencies from time to time?

Mr. HILL. It is my very definite opinion that they should be allowed to use their receipts, rather than be dependent upon action by the Congress. I do not mind saying to the Senator from Arkansas that my colleague, the senior Senator from Alabama, and I have had this matter of appropriations brought very close home to us. The Tennessee Valley Authority, on the recommendation and approval of the War Production Board, came to the Congress to ask for money with which to provide a phosphate plant, to be built for war purposes primarily, and secondarily for the production of fertilizer. The Tennessee Valley Authority selected Mobile, Ala., as the site for this plant because of its proximity to the Florida phosphate rock. Due to the long delay in the Congress in getting the appropriation through, that plant never has been built, and may never be built. It was delayed for so many months here in the Senate of the United States that the War Production Board made other plans, and had to use other facilities, and I am not sure that the plant will ever be built.

Mr. McCLELLAN. May I make one observation on that?

Mr. HILL. I yield.

Mr. McCLELLAN. It may have been the wise thing to construct that plant, but we do not want to turn over such normal and proper functions of the Government and of the Congress to some independent agency, and take the position that the Congress cannot function with respect to the enterprise of building a new plant or not building it. That would not be sound policy.

Mr. HILL. I may say to the Senator, as I stated earlier in my remarks, that so far as the policies are concerned, of course Congress should fix the policies.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. AIKEN. I should like to ask the Senator from Alabama if it is not true that when the T. V. A. has come to the Congress for an appropriation for new construction, as it did 3 years ago, there has been deducted from the amount which is required for the new construction the amount which it has on hand which is available and which it could take from its pockets?

Mr. HILL. The Senator is correct.

Mr. AIKEN. It contributed about \$15,000,000 toward permanent new construction from the profits which it had made, did it not?

Mr. HILL. That is true. The Senator is exactly correct.

Mr. AIKEN. To that extent its operating income can be used for construction purposes, but with the consent of the Congress?

Mr. HILL. That is correct. The Senator is exactly right.

Mr. McKELLAR. Mr. President, will the Senator from Alabama yield?

Mr. HILL. I yield.

Mr. McKELLAR. I wish to make a statement, then to ask a question.

The T. V. A., without consulting Congress, or without asking permission of the Congress, spent between seven and eight hundred thousand dollars, as I recall, in purchasing a phosphate farm in Williamson County, Tenn., for the purpose of manufacturing phosphate. A short time later they bought another phosphate farm costing a little less—upward of \$500,000 in Maury County.

The Senator now says that the purpose of the T. V. A. is to go to Mobile and build a plant there for the purpose of producing phosphate from Florida rock. I ask the Senator, is it not remarkable that the T. V. A. is buying phosphate lands in Tennessee, and is going to build a phosphate plant in southern Alabama for the purpose of manufacturing phosphate from Florida rock? Buying those lands merely shows the utter disregard the present Tennessee Valley Authority has for the Congress.

Mr. HILL. No. Did the Senator in his committee go into the question of the purchase of the lands in Tennessee?

Mr. McKELLAR. No.

Mr. HILL. That is the point, exactly. The committee did not go into that question. The Senator raises it here on the floor. He had every opportunity in the world to go into it.

Mr. McKELLAR. There is a statement in the record about the Tennessee lands and the Mobile plant.

Mr. HILL. It was referred to without any real exploration into the matter as to when these lands were bought, why they were bought, whether or not they were bought at the instigation of the War Production Board, or why they should have been bought at all. I do not hesitate to say that if the purchase of these lands were investigated, and all the facts were brought to light, the overwhelming chances are that the Senate would say that those lands should have been bought.

Mr. BANKHEAD. Mr. President—

Mr. HILL. I yield to my colleague.

Mr. BANKHEAD. In explanation of the statement of the Senator from Tennessee that the T. V. A. acquired phosphate lands arbitrarily, and without authority of Congress, as I understood him to say, I call attention to the fact that application for this action was made to the Committee on Appropriations, and there was included in the bill before the Committee on Appropriations 2 or 3 years ago—I presented the request myself—authorization for the construction of the phosphate plant which has been referred to, and that has been carried continually in the appropriation bills since, because the Authority was unable

to carry out the original provision because of priority orders, and the matter is still in that situation. The authority is contained in the bill now before the Senate.

Mr. HILL. Certainly; there is provision in the bill now for that.

Mr. BANKHEAD. So that there is no occasion for criticism about the phosphate plant being decided on without authority of Congress, or arbitrarily by the Authority.

Mr. TUNNELL. Mr. President, will the Senator from Alabama yield?

Mr. HILL. I yield.

Mr. TUNNELL. I do not know the operation of the Tennessee Valley Authority, and should like to ask a question for information. As I understand, the Government has entered into an immense business. I take it that there must be thousands of operations yearly in the transaction of this business.

Mr. HILL. That is correct.

Mr. TUNNELL. Under the method by which the business has been conducted, the receipts are used in the operation of the business. Does the Senator think it would be possible to have a separate appropriation for each transaction incident to that business?

Mr. HILL. I do not.

Mr. TUNNELL. So that in the actual operation of the company there must be reliance upon somebody's judgment, some executive's judgment.

Mr. HILL. The Senator is exactly correct.

Mr. TUNNELL. As I understand, it is now a question of whether the amounts of money referred to should be appropriated in advance and then used, or whether they should be taken in by the Authority in the transaction of its business and used by the executive. I wish to ask the Senator whether in each case the actual expenditure would not be left to the judgment of the same individuals.

Mr. HILL. It should be left to the managers of the T. V. A.

Mr. TUNNELL. And it would be, would it not?

Mr. HILL. I do not know whether it would be or not. If there were a Congress which was not in sympathy with the T. V. A., it might not be left to them.

Mr. TUNNELL. It never would be spent, under the plan suggested by the Senator from Tennessee?

Mr. HILL. The Senator is exactly correct.

Mr. TUNNELL. Let me ask a further question. Are repairs made from the money which is obtained from the operation of the business?

Mr. HILL. They are.

Mr. TUNNELL. According to the plan of the Senator from Tennessee, would there have to be an appropriation for the repairs?

Mr. HILL. There would have to be.

Mr. TUNNELL. If there were no appropriation to fit a particular repair, it would have to wait until Congress met, perhaps?

Mr. HILL. The Senator is exactly correct, and I thank him.

Mr. McKELLAR. If we did not make appropriations for the Army of the

United States, the Army could not function, could it?

Mr. TUNNELL. If I may answer that suggestion, I should say that I do not think the purpose of the Army of the United States is to manufacture and sell an article.

Mr. McKELLAR. No; but they do much of that very thing.

Mr. TUNNELL. No; they sell only what is left over. That is not their business. Their business is destruction, rather than manufacture.

Mr. AIKEN. Will the junior Senator from Alabama yield to me?

Mr. HILL. I yield.

Mr. AIKEN. The income of the Army of the United States is not greater than the expenses, as is the case with the T. V. A.

Mr. HILL. I thank both Senators.

Mr. McCLELLAN. May I further interrupt?

Mr. HILL. I yield.

Mr. McCLELLAN. The Senator from Delaware suggests that this enterprise would not be able to function if it had to come to Congress for appropriations as all other governmental agencies do. Do we not make appropriations now for the Army and the Navy to operate our locks and dams and flood-control installations on the different streams? We do not make appropriations for each little item of repair or for each little dredging operation on this or that particular curve in the river. It is more or less done where such operations are carried on under the specific appropriations of Congress.

Mr. HILL. That is true. As the Senator knows there has been a great variance in the past. Sometimes Congress has made very liberal appropriations for such items and at other times it has made more meager appropriations for them. There has been a very great variance. I myself have seen great dredges tied up, not doing anything, when a job was needed to be done. "Why are these dredges tied up? Why is this job not being done?" "We have no money with which to do it."

Mr. McCLELLAN. That poses this question: Are we taking the position now that in these matters the Congress cannot function efficiently, or that we are going to yield to the more expedient way of doing it and delegate more of our powers, and not retain the responsibility in the Congress?

Mr. HILL. No, not at all. As I said in the beginning, the Congress ought to lay down the general policies, but so far as operating or managing a power system is concerned, the Congress cannot do it and ought not to try to do it; it was not created or established to do it.

Mr. McCLELLAN. I understood the Senator awhile ago in his illustration to indicate that he felt that some things are being done which can be done now under the present flexibility of operations and authority granted, whereas if it were left to Congress there might be an unfriendly Congress, and therefore the work might never be done. The point I am making is, that an unfriendly Congress might be the Congress which

represented the will and sentiment of the people at that time.

Mr. HILL. Of course, that is so.

Mr. McCLELLAN. And to keep government what it ought to be, final decision as to whether the work should be done or not done should rest with the Congress and not some board or commission.

Mr. HILL. I agree with the Senator exactly that the fundamental question as to whether or not this power system ought to be operated or ought not to be operated should be determined by the Congress. Of course, the Senator knows that the Congress today, if it wanted so to do, could repeal the Tennessee Valley Authority Act and could offer its properties to the highest and best bidder. It could make any disposition it saw fit of these properties. It has that power. But I say that, so long as Congress has this agency operating as a power system, with thousands of consumers, and hundreds of industries, and great cities dependent upon the power it furnishes, the Congress ought to set the broad policies and permit the day-by-day management and operation of the system to be conducted by the technicians on the job at the power system.

Mr. McCLELLAN. I wish to say to the Senator that I agree exactly with what he has said. I do not want to see the T. V. A. crippled. I do not want to see the law repealed. I do not want to see the operations hampered. That is not what I have in mind. But at the same time, I do not want to agree with the implication of the Senator that we should simply turn over the control and operation without taking the responsibility for what is being done.

Mr. HILL. The Senator is exactly correct. We have the prime responsibility and we should determine the policies and see that the policies are carried out. But the detailed operation should be in the hands of the managers on the job with the power systems.

Mr. BONE. Mr. President—

The PRESIDING OFFICER (Mr. TUNNELL in the chair). Does the Senator from Alabama yield to the Senator from Washington?

Mr. HILL. I yield.

Mr. BONE. I take it from the argument of my able friend, the Senator from Alabama, that his view is that in a major operation such as the building of a great dam for power purposes or flood control the Congress in such an instance should determine the policy, but for the mechanics of operation, the physical process of turning the turbines and generators and selling power, and putting out power lines, that function should be the function which we have created by the act. Am I correct?

Mr. HILL. The Senator has stated the matter much better and much more definitely than I could have stated it.

Mr. BONE. I should like to make one comment at this moment which I am sure touches a matter that all lawyers who have been in active practice in the utility field will readily recognize. The courts of my State, and I think the courts of

most of the other States where this question has been at issue, have held that where a public body, such as a city or a State, or a county, goes into the power business, it is performing thereby not a government function as it is commonly understood, but it is performing the function of a private proprietor. Therefore, we are forced, if we are realistic, to consider the necessity of giving this instrumentality we have set up some of the necessary flexibility of a private corporation if we expect it to perform a useful function and do it efficiently.

I can understand the difficulties we all face in a legislative body in deciding some of these problems, such as the Senator from Arkansas (Mr. McCLELLAN) has referred to. He wants Congress to keep a finger in the pie, so to speak, and have control. On the other hand, we are turning wheels in the Tennessee Valley and producing a commodity. We might as well be producing sugar or cement or something else. We all want to have this project operated as efficiently as possible. Therefore the T. V. A., as well as the Bonneville project in my section of the country, in addition to whatever check the General Accounting Office has on them, called in private accountants and had them make a commercial audit, which goes, as the Senator from Alabama suggested, much deeper and over a wider field than a strict audit by the Comptroller General, which deals only with the legality of expenditures. The commercial audit dips its fingers into crevices and crannies which are not touched by a strict audit of the Comptroller General. Therefore, anyone curious about the functioning of the Corporation would find in the pages of the commercial audit much more meat, much more factual material than he would find in the cold audit of the Comptroller General.

I myself think it is an excellent idea to have both types of audits. The Comptroller General by his audit would say whether the money involved was spent lawfully. The private audit would establish whether value was received for the money expended.

Mr. President, when we had before us the matter of establishing the Northwest Power Authority, I attempted to insert in the law provision for a commercial audit, because I think it is a splendid idea to place the results of such a commercial audit in the hands of Members of the Senate and the House. Anyone in Congress who is familiar with the A B C's of a commercial audit could find out from it exactly what was going on. It is a much more revealing sort of record than that which we obtain from the Comptroller General.

I think the T. V. A. has done Congress a service in providing a commercial audit. I think it is an excellent idea, and I think we should not repeal the provision for such an audit. The expenditure of \$30,000 for the purpose is as nothing compared with one's ability to place his finger on some leak which might cost 20 times as much.

Mr. McCLELLAN. Mr. President, I wish to make one observation based on the statement made by the Senator from

Washington. The audit of the General Accounting Office, the Comptroller General, determines the legality of the expenditures and reveals whether the money has been spent within the authority delegated by the Congress. The private audit may reveal the wisdom of such expenditures.

Mr. BONE. That is correct.

Mr. McCLELLAN. So I think that together they serve the whole purpose.

Mr. BONE. I think it is an excellent idea to have both audits.

Mr. HILL. Yet under the committee amendment the T. V. A. could not have the private audit.

Mr. BONE. I think that is correct. I think they complement one another. They rather give us a chance to check the commercial audit against the Comptroller General's audit, and vice versa; and if some error shows up, we can easily catch it.

Commercial audits are liable to take up items such as obsolescence, depreciation, and many other elements which would not be touched by the Comptroller General, as I understand his activities. I may not be too well informed about the matter; but so far as I know, the Comptroller General does not touch many angles which are vital to the success and welfare of any organization or corporation. As I understand the operations of organizations such as Bonneville and Coulee, I should want to know what their transactions were. If I were sitting in the saddle of authority over them, I should want to know what they were doing, the physical condition they were in, and all the other matters which a commercial audit probably would reveal to a large extent.

Mr. HILL. Yes; but, Mr. President, as I have said, under the pending amendments the Tennessee Valley Authority is denied the right to have such a commercial audit made.

Mr. BONE. Yes; I understand that.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. McKELLAR. I wish to preface what I shall say by a word about the policy of which the Senator has spoken. The Senator has said that the Congress should confine its activities to policy making. The Congress has invested—and did so quite largely at my request—between \$750,000,000 and \$1,000,000,000 in the Tennessee power plants. The Congress has furnished all the money. Is it not a policy of the Congress to say whether the receipts of that concern shall be turned into the Treasury of the United States, as was provided in the original law, in part, at least? Is not that a policy, namely, to say whether the receipts shall be turned into the Treasury, so that the Congress can at all times fix the policy?

Mr. President, if that is not done, we shall have no authority at all over the Tennessee Valley Authority; we shall have no means of determining what it is doing.

We have spent this money. It is our duty to safeguard it. I am in favor of giving the Tennessee Valley Authority

every dollar it needs. But to build up reserve funds, to allow the Tennessee Valley Authority to use its receipts, constituting enormous sums of money, without coming to Congress and telling Congress what it wishes to use them for, without a word about their expenditure—

Mr. HILL. Mr. President, I should like to yield to my friend, of course—

Mr. McKELLAR. Does the Senator believe we should have such a policy?

Mr. HILL. Of course, I do not; and I wish to say that for all the years since 1933, when we established the Tennessee Valley Authority—and this is the year 1944—the T. V. A. has been coming to the House Committee on Appropriations and to the Senate Committee on Appropriations, and has been giving those committees full and complete information respecting all its operations and the details of its operations. We have had our hands and our check and our control on the Tennessee Valley Authority during the past 11 years. The check has been a good one. The control has been a good one. No Member of the Senate will rise on this floor to say that under that system the Congress has not performed its duty or that the Tennessee Valley Authority has not done a good job. Why change the system now?

The Senator from Tennessee [Mr. McKELLAR] has sat all these years as a member of the Senate Committee on Appropriations. Year after year when the present system has been in operation he has sat on that committee. He raised no question about the present system until 2 years ago, when he made a motion to strike out the House provision, and to provide that the money should go into the Treasury; but before that he had gone right along as one of the best friends of the Tennessee Valley Authority.

Mr. McKELLAR. Mr. President, the Senator certainly would not want me to remain silent after a statement of that kind. Two years ago—

Mr. HILL. I said until 2 years ago.

Mr. McKELLAR. Until 2 years ago, the T. V. A. was not receiving money. The dams were put in operation only approximately 2 or 3 years ago. As soon as they began to make money, the Tennessee Valley Authority wanted the Congress to take its hands off. But before that, when the T. V. A. had to come to Congress for its money, the story was a very different one.

Mr. HILL. No, Mr. President. The receipts in the earlier years were not large, but the T. V. A. has been taking in money each and every year from the minute it took over the power projects in Tennessee. The T. V. A. began to receive money at once. Of course, the receipts have grown during the years, but the T. V. A. has had substantial receipts during all the years of its existence.

Mr. WHERRY. Mr. President, will the Senator yield for a question?

Mr. HILL. I yield.

Mr. WHERRY. I did not quite understand the answer the Senator gave to the question of the distinguished Senator from Delaware [Mr. TUNNELL] about the use of this money by the Executive or by

the independent office, from the reserves set up. The Senator's answer was, I believe, that an unfriendly Congress might not appropriate the money for the purpose for which the independent agency might wish to use it—money which otherwise would go into a reserve fund. Am I correct about that?

Mr. HILL. There might be much delay and much thwarting on the part of Congress.

Mr. WHERRY. But the Senator is not advocating that an independent agency set up reserves, is he?

Mr. HILL. Of course not. Under the present law the Congress, through the appropriations committees, has the whole picture before it. For the last 11 years the Congress, through the appropriations committees, has had the full and complete picture of the expenditures made under the Tennessee Valley Authority. I have before me the Bureau of the Budget estimates for the year 1945. They give the full and complete story of the expenditures and of what is proposed for the next fiscal year, beginning July 1.

Mr. WHERRY. The Senator is not asking that an extension of power be given to this independent agency, in order to enable it to set up reserves which it might spend, but which it could not otherwise receive if it came to an unfriendly Congress and requested the appropriation; is he?

Mr. HILL. Not at all. I am asking that the T. V. A. be permitted to operate in the future just as it has been permitted to operate in the past.

Mr. McKELLAR. Mr. President, will the Senator yield to me?

Mr. HILL. I yield.

Mr. McKELLAR. I wish to say that, insofar as reserves are concerned, the bill as passed by the House contains a provision for a little more than \$10,000,000 of reserves. Under that provision, the T. V. A. will receive in receipts and in unexpended balances \$10,000,000 more than it expects to expend during the coming year. It is requesting that, in addition to the money which is required for its own operations, the Congress set up a reserve of \$10,000,000, or a little more, for it to use as it likes.

Mr. HILL. Mr. President, I do not agree at all with the Senator on that proposition.

Mr. McKELLAR. If the Senator will look at the bill, he will see that the provision is as I have said.

Mr. HILL. The T. V. A. does not request \$10,000,000 for it to use as it likes. The T. V. A. wishes to have the reserve available in the event it constructs a phosphate plant or in the event it carries forward the construction of the Watauga and the Holston Dams.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. WHERRY. I still am not clear about what the Senator meant when he answered the Senator from Delaware. What did the Senator from Alabama mean when he said that an unfriendly Congress might not appropriate the money which the executive or the agency

might require in order to carry on the operations of the T. V. A.?

Mr. HILL. There might be a storm, a tornado, or a flood.

Mr. WHERRY. Could not the T. V. A. now repair such damage?

Mr. HILL. Certainly.

Mr. WHERRY. That does not answer my question. What does the Senator mean by saying that an unfriendly Congress might not grant an appropriation?

Mr. HILL. I am not trying to change the system. What I am fighting for is to let the system remain as it is, that is, with authority in this board to make repairs and do such other things as may be necessary for the maintenance and operation of the power system.

Mr. WHERRY. Does the Senator mean that, if the amendment of the committee were adopted, the T. V. A. would have to come to Congress and ask for appropriations to repair lines?

Mr. HILL. The T. V. A. might have to come to Congress and ask for an appropriation to put one additional transformer on a power line.

Mr. WHERRY. The authority which the Senator is asking for is authority to use the funds of the T. V. A. in the manner described if an unfriendly Congress should not grant an appropriation. There would be a reserve to take care of it.

Mr. HILL. No. The Senator speaks of an unfriendly Congress—

Mr. WHERRY. The Senator brought that up.

Mr. HILL. There might be a friendly Congress which was busy with many other things. It takes time to get appropriation bills through Congress.

Mr. WHERRY. The Senator made the remark about an unfriendly Congress. I am trying to find out what limitation would be imposed on the T. V. A. by an unfriendly Congress which might make it desirable to establish reserves.

Mr. HILL. Today the T. V. A. can use its receipts for the operation of its power business. If it had to come to Congress to get all its money, and could not use its receipts, if there were an unfriendly Congress it might delay and hamper the T. V. A. It might dally with the requests for appropriations. I say that the power consumers of the Tennessee Valley have the right to have constant delivery of power, just as they would have the right to have constant delivery of power from a private company.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. CLARK of Missouri. I should like to ask the Senator if he does not think there is a middle ground between the two extremes. One extreme is to allow the T. V. A. directors—namely, Mr. Lillenthal and company—to treat these funds as their own private funds, and to do with them as they please, possibly even to the extent of opposing the senior Senator from Tennessee or the junior Senator from Tennessee in a campaign for reelection. There is quite a difference between allowing them to treat those funds entirely as their own private funds, to do with as they please, and establish-

ing a reasonable discretion for them to use the funds for repairs, as the Senator has described, to keep the T. V. A. in operation as a going concern. It seems to me that there is a tremendous difference between the two extremes which have been presented to the Senate.

Mr. HILL. The Senator is entirely correct.

Mr. CLARK of Missouri. No one wishes to hamstring the Tennessee Valley Authority as a going operation.

Mr. HILL. The Senator is entirely correct in what he says. There is a vast difference between the two extremes. Certainly, the Tennessee Valley Authority has no right, and no employee of the Authority or any member of its Board has the right, to use any of its funds for the purposes indicated by the Senator from Missouri.

At the beginning of my remarks, when the Senator was absent from the Chamber, I called attention to the only purpose for which the Tennessee Valley Authority can use its receipts, as set out in section 26, in these words: "In conducting its business in generating, transmitting, and distributing electric energy and in manufacturing, selling, and distributing fertilizer and fertilizer ingredients."

That is the power which we fight to preserve in the Tennessee Valley Authority Board. We are not asking for any additional power, but we do think that the Authority ought to have the power now granted in the basic law.

Mr. CLARK of Missouri. Mr. President, will the Senator further yield?

Mr. HILL. I yield.

Mr. CLARK of Missouri. So far as I am concerned, I have no complaint as to the business operations of the Tennessee Valley Authority. From what I know about it, I think it has done a splendid job. However, I do object very much to the political activities of the Tennessee Valley Authority. The junior Senator from Tennessee [Mr. STEWART] has told me that Mr. Lillenthal, who is on a salary in the Tennessee Valley Authority, went into Tennessee, where, of course, he is a carpetbagger, and has no status as a citizen of Tennessee, as a Government employee—at least, I assume that an employee of the T. V. A. is a Government employee, despite the fact that the T. V. A. is able to control its own funds—to make speeches against the junior Senator from Tennessee. Whatever Mr. Lillenthal might say as a carpetbagger temporarily sojourning in Tennessee would have no influence; but when Mr. Lillenthal, the head of the T. V. A., makes speeches which might be calculated to coerce such of the army of employees of the T. V. A. as are qualified voters in Tennessee, to my mind that presents a very serious question. It is to that question that I am addressing myself.

So far as I am concerned, for some of these amendments I would not be inclined to vote; but if Mr. Lillenthal has been using the prestige and power of his position as head of the T. V. A. to coerce his army of employees and engage in Tennessee politics, then I will vote for

any restrictive amendment on the T. V. A. which may be suggested. Otherwise, so far as the business administration of the T. V. A. is concerned, I have no complaint to offer.

Mr. BONE. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. BONE. I should like to say to my able friend from Missouri that I am constrained to agree with him. Abuses such as he has described might grow up; but I do not wish to be compelled to accept a great number of amendments which are unpalatable merely in order to achieve one objective which may be desirable. There is no distinction. The amendments are lumped together and we are asked to vote on the whole group of them, and, nolens volens, we shall vote on them. I do not wish to have to take 40 kinds of medicine in order to take 1 particular brand.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. McKELLAR. Let me say to the Senator that he will have ample opportunity to vote on each and every amendment separately. I think they ought to be voted on separately.

Mr. HILL. If I may have the attention of the distinguished senior Senator from Missouri [Mr. CLARK], I will say to him that I do not condone any such political activity as he has described.

Mr. CLARK of Missouri. My information on the subject comes entirely from the two Senators from Tennessee.

Mr. HILL. I wish to be perfectly candid with the Senate—

Mr. STEWART. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. STEWART. Inasmuch as my name has been mentioned by the Senator from Missouri in connection with the political activities of Mr. Lillenthal, let me say that it will be recalled by the Senator from Missouri, and possibly by other Senators, that more than a year ago, when a colloquy occurred on this floor in which several Senators participated—I do not now recall what evoked the colloquy—I related what had happened in the political campaign of 2 years ago with respect to Mr. Lillenthal, who I believe was then the Chairman of the Tennessee Valley Authority, and is now the Chairman. Quoting from memory, I will repeat what I said on that occasion.

About 3 weeks before the August primary in 1942, in which I was a candidate, Mr. Lillenthal, in a speech which he delivered before the Kiwanis Club of Knoxville, Tenn., stated that "We have defeated them on the Washington front." A T. V. A. amendment had been defeated by the House only a few weeks before that. "Now I warn the people of the valley against the establishment of a second front in Tennessee."

I saw that article on the front page of the Chattanooga Times, as I recall, on the day I spoke in Chattanooga. I stated in my speech that I and others who read the article construed it as a challenge to my candidacy. I stated that I believed that Mr. Lillenthal was

subject to the Hatch law, and to other statutes preventing political activities on the part of certain Government employees; that his speech was a political statement, made to arouse opposition to me; that I accepted his challenge; and that if I misconstrued his statement, the press was still open to him to correct it. I received no reply from him.

That is what occurred, and that is what I previously related on this floor.

I shall make a statement before the debate on the T. V. A. amendments is concluded. I shall support some of the amendments, and some I cannot support. However, I shall certainly support any amendment which would prevent political activity on the part of T. V. A. employees.

Mr. BANKHEAD. Mr. President, will the Senator yield to me?

Mr. HILL. I yield.

Mr. BANKHEAD. This amendment deals with the receipts of the Corporation. From what the Senator has said, I do not infer that what Mr. Lillenthal did on the occasion referred to violated any moral principle, or the rules of the T. V. A. It seems to me that what the Senator has referred to was not related in any way to the disposition of or the proper handling of the funds of the T. V. A.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. McKELLAR. The Senator has referred to me. Bless his soul, the political activities against my colleague are a mere zephyr compared to what this remarkable employee of the Government has been doing to me for many years. He has been fighting me day and night, in almost every speech he has made throughout the State. My friends have written me for several years concerning his extreme opposition to me. He wants a better Senator from Tennessee. He wants someone to be elected in my place. Perhaps he is right. I admit to being a very poor Senator, but, by heavens, I do not like to have the head of the T. V. A., who was imported from some other State, come to Tennessee and take sides in politics against me. He did that in 1940. He has constantly done so all over the State in speeches he has made. I do not know what my colleague thinks about it, he may think it is all right. He may think it will do him good. However, I do not want it to be done, especially while the Hatch Act is in force. I am sorry the Senator from New Mexico [Mr. HATCH] is not present, because I think this is the only good word I have ever spoken for the Hatch Act. I understand that Mr. Lillenthal is a policy-making official of the Government, and claims not to be under the Hatch Act. He will claim anything on earth which will be of any benefit to him.

Mr. HILL. Mr. President, I should be the last man in the Senate to want Mr. Lillenthal to engage in any kind of politics, or make any kind of an attack on the Senator from Tennessee. The Senator has said that Mr. Lillenthal has been fighting him for many years, and as I understand the Senator, Mr. Lill-

thal has been making speeches against him. Am I correct?

Mr. McKELLAR. Yes; he attends meetings of the Rotary Club and of chambers of commerce. His favorite organizations, I believe, are chambers of commerce, Rotary Clubs, Kiwanis Clubs, and various noonday clubs which exist all over the country. He acts in a way similar to that which was referred to in reference to Mr. A. E. Morgan, his former associate. He eases in and eases out, but condemns me all the time. [Laughter.]

Mr. HILL. Allow me to ask the Senator a question. Can the Senator give us a quotation from some speech which Mr. Lillenthal has made in which he has attacked the Senator from Tennessee?

Mr. McKELLAR. I did not understand the Senator's question.

Mr. HILL. Can the Senator give us a quotation from some speech which Mr. Lillenthal has made concerning the Senator from Tennessee?

Mr. McKELLAR. No; I do not have with me a copy of any speech of Mr. Lillenthal. I shall be very happy to furnish the Senator letters showing various places in my State where Mr. Lillenthal has been. Citizens of my State have written me and told me that he has been in those places fighting me. They have called me on the telephone. I have received telephone calls within the last few days in which I was told about the fight Lillenthal has been making upon me. That may be all right for this great head of the Tennessee Valley Authority. He has not hurt me thus far, and I do not believe he will hurt me in the future. However, it does not make me like him any more. [Laughter.]

Mr. HILL. Of course, Mr. President, Mr. Lillenthal has no right to make any attack on the Senator from Tennessee, or, for that matter, on any other Senator. I myself have never seen any statement from Mr. Lillenthal which in any way brought the Senator from Tennessee into question. I have never seen any statement which anyone purported to believe brought the Senator into question. It is true, Mr. President, that Mr. Lillenthal makes a great many speeches. He comes into Alabama occasionally and makes speeches there. However, if he has ever said anything in Alabama of a political nature, I do not know what it was.

Mr. McKELLAR. I hope he does not make speeches against my friend, the Senator from Alabama.

Mr. HILL. I hope not, and I would condemn him just as strongly for making any kind of a political statement against the Senator from Tennessee as I would condemn him for making any kind of a political statement against myself. But the Senator from Tennessee has said that Mr. Lillenthal has been traveling all over Tennessee fighting him and making speeches against him. In view of the standing of the Senator from Tennessee, the high esteem in which he is held, and the great affection which his colleagues entertain for him, naturally such a statement against the Senator from Tennessee would raise resentment on the part of all Senators against Mr.

Lillenthal. Naturally, such a statement would have its effect on the consideration of these amendments. I think that if Mr. Lillenthal has made any such attack on the Senator from Tennessee as the Senator has indicated, or in any way questioned the Senator's actions, or cast aspersions upon him, the Senator from Tennessee should let the Senate know what it is upon which he bases his statement.

Mr. McKELLAR. I shall be very glad to give what my file shows. I hold in my hand a letter from Dr. A. E. Morgan, who thus describes Mr. Lillenthal:

There is a practice of evasion, intrigue, and sharp strategy, with remarkable skill in alibi and the habit of avoiding direct responsibility, which makes Machiavelli seem open and candid * * * and man for man directness was a mask for hard-boiled, selfish intrigue. * * * The marble claims, in my opinion, were an effort at deliberate barefaced steal. * * * The public and the Congress do not yet know the extent to which that was improperly handled.

The Senator wants to know how I know Mr. Lillenthal is fighting me in Tennessee. Has the Senator any doubt about a candidate in Alabama being against him?

Mr. HILL. No; I have no doubt about it, because every day he is making speeches in which he declares that he is against LISTER HILL. What I want the Senator from Tennessee to do is what I think he ought to do, namely, to submit a bit of evidence of some kind to the Senate upon which he predicates his statement that Mr. Lillenthal is fighting him. Certainly the statement which the Senator from Tennessee has just read has nothing to do with the Senator from Tennessee. It is an attack on Mr. Lillenthal by Dr. Morgan. The Senate, of course, recalls all that controversy, the feud which existed between Dr. Arthur Morgan and David E. Lillenthal. The Senate knows that not only did the President of the United States find in favor of Mr. Lillenthal, but that a special committee of the Senate of the United States, headed by the then Senator from Ohio, Senator Donahey, investigated the matter and found in favor of Mr. Lillenthal. I think that all that Morgan said about Lillenthal had nothing to do with any alleged statements of Mr. Lillenthal concerning the Senator from Tennessee.

I do not think that in a debate on this floor when we are trying to act on these amendments on their merits, the Senator from Tennessee should make the statement that Mr. Lillenthal has been fighting him through the years, and yet not give us some basis for his statement. The Senator from Tennessee spoke of his campaign in 1940. I remember it well, because at the time I was staying at the Mayflower Hotel where the Senator from Tennessee was also staying, and I rejoiced with him when there was no opposition to his election in 1940. The Senator from Tennessee was renominated without any opposition whatever. I remember the beautiful statement the Senator from Tennessee issued expressing his appreciation to the people of Tennessee because he had no opposition.

I remember that the Senator from Tennessee quoted from the beautiful Twenty-third Psalm—"The Lord is my shepherd," and so forth—and drew a parallel showing how good and fine the people of Tennessee had been to him. I rejoiced with the Senator from Tennessee that he had no opposition.

Mr. McKELLAR. I suppose the Senator is referring now to Lillienthal. He is the man who has been operating against me. I do not know that he is from Tennessee; I do not know whether he ever voted in Tennessee; he may claim not to be a Tennessean, and the other day in the committee he claimed that he was not opposing me; but that would be equal to nothing on earth in view of the reputation he has with his colleagues of being elusive and indirect. That is the kind of speeches he makes. I never heard Lillienthal make a speech in my life, but I know, as every other sensible person would know, when a man of that kind, traveling around the State, is undertaking to undermine and discredit me in every possible way. That is what Lillienthal has been doing. I say that when a man who is sent down there from another State to direct the work of an Authority such as the T. V. A. thus conducts himself against the two Senators from that State, it is unworthy of him; his attitude is improper, and this body ought not to uphold him.

Mr. HILL. It seems to me that if Mr. Lillienthal has been for years making a fight on the distinguished Senator from Tennessee, somewhere, some place, in some newspaper or some article or some periodical, there would be some word, some line, or some thought expressed that the Senator from Tennessee could point his finger at as evidence that Mr. Lillienthal was fighting him. To quote what Dr. Morgan, who had a feud with Mr. Lillienthal, had to say about Mr. Lillienthal is certainly no evidence that Mr. Lillienthal has in any way ever said anything uncomplimentary about the Senator from Tennessee or in any way has taken any action by word or deed or even by thought against the Senator from Tennessee. I should like to have the Senator from Tennessee let the Senate know what is the basis for his statement that Mr. Lillienthal is fighting him.

Mr. McKELLAR. I shall be very happy to make such a statement if I ever get the opportunity.

Mr. HILL. Let the Senator from Tennessee make the statement, because, as I say, it is only fair to the Senate that he should do so. The Members of the Senate are sitting here as judges in this matter; we have to pass on these amendments on their merits, and when a man like the Senator from Tennessee, for whom I have a deep affection and whom I hold in such high esteem, tells me that a man has been fighting him for years, naturally it makes me react unfavorably against that man, and in such a case, whether I wanted it to be so or not, it would affect, perhaps, my position on the amendments. So I think if the Senator is going to make the argument that one reason these amendments ought to be adopted is that Mr. Lillienthal has been

fighting him for years, the Senator from Tennessee ought to be able to find at least some little bit of evidence, one little thread of evidence upon which he predicates his statement.

Mr. McKELLAR. I certainly shall do so.

Mr. HILL. If Mr. Lillienthal has been speaking to Kiwanis clubs, Rotary clubs, Civitan clubs, Lion clubs, and other clubs, certainly his speeches have been reported; somebody has taken them down. If they were not printed in the newspaper, somebody who was present made a note of what he said. If Mr. Lillienthal has been fighting the Senator from Tennessee for years, there must be some evidence somewhere. The truth is when Mr. Lillienthal comes into Alabama to make a speech he generally has a mimeographed copy of it. I have a number of copies of such speeches. Whenever he comes to Alabama I usually write him requesting a copy of his speech, and he sends me a mimeographed copy of it. Now I want the Senator from Tennessee to submit one little bit of evidence upon which he predicates his statement that Mr. Lillienthal has been fighting him for years.

Mr. CONNALLY. Mr. President, the Senator from Alabama said he wanted the Senator from Tennessee to make a categorical answer as to where the speech was printed. The Senator from Alabama knows that sometimes the most effective opposition is not that of the enemy who comes out with a broadside right in front, where everybody can see him, and makes a speech, but it is the insinuating and devious methods these functionaries employ to stir up somebody else, to stir up the local Rotary president with the idea that if Mr. Lillienthal is not let alone the T. V. A. will be destroyed, or to stir up the local banker, who is afraid that if he does not look out some funds will not get into his bank, and so he begins to become alarmed and works up sentiment. Is it not possible that the opposition to which the Senator from Tennessee refers is of that kind, the sly insinuating fox-like opposition, that is very potent, rather than the brass-band type that says, "Yes, we are all against McKELLAR." If Lillienthal did that, he knows there would be an uprising, and that even the President of the United States would say, "Here, Mr. Lillienthal, you cannot do that openly; you cannot come out openly and say, 'To hell with McKELLAR'; you have got to do it with a fine Italian hand; grease the skids, get Mr. McKELLAR where his wool is short, and ease him out.'"

Mr. HILL. Let me say to the Senator from Texas that in all the speeches of Mr. Lillienthal that I have seen, and in all the conversations I have had with him, he has certainly not indulged in any such tactics as that. He is not making that kind of an attack, indeed, not making any kind of an attack. The Senator from Texas knows—

Mr. CONNALLY. Just a word.

Mr. HILL. The Senator knows this about it—

Mr. CONNALLY. I do not know Mr. Lillienthal, never saw him; but I know methods.

Mr. HILL. If he is making that kind of an attack, a covert attack, or, as the Senator says, an insinuating attack, is sticking him from the curtain, from behind, rather than ripping him from the front, surely the Senate of the United States knows that kind of attack. We would have no difficulty in discerning or in properly understanding that kind of attack. If the Senator from Tennessee has any evidence of that kind of an attack, I want him to submit it to the Senate.

Mr. McKELLAR. Mr. President, the Senator brought this matter up by referring to me. I never would have brought it up myself.

Mr. HILL. The Senator from Missouri [Mr. CLARK] brought it up. I did not bring it up. I would not have brought it up. To tell the truth, if I may say so, I have regretted that the Senator from Missouri brought it up, but he referred to it, and it having been brought up, I think the Senate should go into it.

Mr. McKELLAR. I do not want the question before the Senate settled on the basis of whether the action is favorable or unfavorable to me. Mr. Lillienthal has a right to be against me, and I would not have any of these questions settled on the consideration of whether his actions were unfavorable or favorable to me. As a matter of fact, when the proper time comes, when I get an opportunity to speak, later on, after the Senator shall have concluded, I hope to make a statement about the matter, and I shall certainly give the Senator from Alabama, and every other Senator, ample evidence to show that the statement I have made is correct.

The Senator does not have to have someone tell him when a man is silently against him. He knows when a man of any note in his State is against him, and here is a man who has been against me ever since he came into the State, and has been fighting me at all times.

I appeal to my colleagues to decide this matter on its merits, and not on Mr. Lillienthal's opposition to me. I do not ask that it be decided on that ground. I ask my brother Senators to settle it on its merits entirely, and not because of any interest they may have in me personally or politically.

Mr. CONNALLY. Will the Senator from Alabama yield in order that I may ask the Senator from Tennessee a question?

Mr. HILL. Certainly.

Mr. CONNALLY. Is it or is it not the attitude of the Senator from Tennessee that so far as Mr. Lillienthal personally is concerned, the Senator agrees he has a right to vote as he pleases, but the Senator from Tennessee does not propose to arm him with Government funds and control over thousands of employees, to employ them and use them for political purposes. Is that the Senator's attitude?

Mr. McKELLAR. That is exactly my position.

Mr. HILL. Mr. President, I think no Senator would disagree with that premise, no Senator would want to arm any Government employee with thousands of dollars of Government funds, or even a

few hundred dollars of Government funds, I will say to my friend the Senator from Texas, with which to engage in politics either to elect or defeat a Senator. But I do not think that fundamental questions of policy with reference to the T. V. A. should be determined on the basis of the actions or sentiments of any one member of the Board of Directors, or on some position the Board of Directors may have taken. If we are to legislate wisely and well, we must legislate having in mind something greater than personalities or individuals. If Mr. Lillenthal be guilty of the things the Senator from Tennessee says he is guilty of, then Mr. Lillenthal should be removed as a member of the Board of Directors of the T. V. A. If he is going around doing all these many things, we should take steps looking to his removal. As I recall the original act, it specifically provides that a member of the Board of Directors can be removed by concurrent resolution of the two Houses of Congress. If Mr. Lillenthal be guilty, if he has done things he should not have done, then we should pass on Mr. Lillenthal, and not pass on great fundamental questions of policy with reference to the operation of this great power system, on an ad hominem or personal basis.

Mr. McKELLAR. Will the Senator yield further?

Mr. HILL. I yield.

Mr. McKELLAR. A little while ago the Senator charged me with having been on the Committee on Appropriations and allowing certain things to happen, and now he charges me with not taking proper steps to have Mr. Lillenthal removed.

Mr. HILL. No, Mr. President. Let me say this—

Mr. McKELLAR. The Senator—

Mr. HILL. I have the floor, and I want to extend every courtesy to the Senator, but he must not say that I have charged him with these things. I have not charged him with anything.

Mr. McKELLAR. The Senator came very near it. Perhaps I inferred that he did, rather than that he made the actual statement, but the Senator so inferred, as I gathered what he meant from what he said. I wish to say that, so far as Lillenthal is concerned, when I found he was not running the plant in accordance with law, as I shall undertake to show tomorrow when the time comes for me to speak, I went to the President of the United States, who is my friend, who is the man who should know about the matter first, and I told him the facts, and urged him to dismiss Mr. Lillenthal from the service. He took the matter under consideration, and I had rather supposed that he would make some other disposition of Mr. Lillenthal than to keep him in Tennessee, where he was doing the things of which I complained. But it has not been done. So I feel that I am within my rights now in undertaking to see that Mr. Lillenthal not only complies with the law in Tennessee, but that he pays into the Treasury of the United States the money which he takes in, as the law intended that he should do. That is all I want to see done.

I repeat, I do not want any Senator to vote because of how he may regard

me personally. I am tremendously interested in this matter, because I have given the greater part of my life to the building of the Tennessee dams, as I propose to show tomorrow. The greater part of my public life has been given to that purpose. I have been with them from the beginning, since 1916, when I offered the first amendment that became law providing for the building of these dams. I want to see them prosper. I want to see them honestly administered. In very large measure, I caused the Government to put its money down there. I should be untrue to my duty as a Senator if I did not take every precaution to see that the Government money was honestly accounted for, and that there was paid into the Treasury of the United States all that should be so paid. It is for that reason that I am laying before the Senate frankly my whole course in regard to the matter. I have not taken anyone by surprise. I have been open and frank before the committee, before the Senate, and before the President of the United States.

Mr. HILL. Mr. President, I wish to say again that what I seek is not any change of the basic law at all, but that the T. V. A. be allowed to operate this great system just as it has been allowed to operate it under the basic law from the very beginning, in 1933.

Today more than two and a half million people depend on this power system in their daily lives. When the Tennessee Valley Authority Act was adopted, there was a capacity of 244,000 kilowatts of power turned over to the T. V. A. to manage. Today T. V. A. is operating 24 major generating plants—18 hydro and 6 steam—having a total installed capacity of over 1,800,000 kilowatts. Over 11,000,000,000 kilowatt-hours are supplied from this system to some 540,000 consumers. Over 5,700 miles of transmission lines have been constructed or acquired to carry the power to 84 municipalities and 45 farm cooperatives who own their distribution systems, to 11 great industries all in war production, and to 10 military establishments.

Over 75 percent of the power produced by T. V. A. today is going directly into war production. During the period from September 1939 to December 1941 the T. V. A. delivered to the various war industries in the area a total of 2,000,000,000 kilowatt-hours in excess of its contract commitments. This was made possible by efficient management and by T. V. A.'s ability to meet emergencies by using its revenues. This was the power that went directly into bombers and fighters at the very time when the need for them was greatest.

This is the size of the job the Congress of the United States would undertake to manage under the Senate amendments. Every Senator knows we are not equipped to do it. Federal budget and appropriations procedures are not designed for such operations. And no matter how gifted, how industrious, and how devoted to the public service members of the Appropriations Committees may be, they are not selected for their experience in electric system operation nor do they have the time to learn the craft. And

they are 500 miles away from the problem.

What kind of management decisions did these new managers propose?

This would be the total effect of their recommendations: They are not the effects set out in the committee report. The savings to which the committee refers are an illusion. Actually the result of the committee's recommendations would be to reduce revenues, to limit power capacity below contractual commitments, to jeopardize the continuity of electric service throughout the area, to freeze war production.

These are some of the committee's recommendations for the management of the T. V. A. power system next year:

First, stop work on Watts Bar steam plant.

The appropriation bill as it passed the House, based on recommendations of the present management of the T. V. A. power system, provided for continued construction at Watts Bar steam plant. The text of explanation provided by T. V. A. for use of the committee members showed that the continued construction referred to involved the installation at this existing project of a new generating unit. The Senate Committee on Appropriations decided to strike it. I find little discussion on this important managerial decision in the record of the hearings. I wonder if the committee knew the facts. This is the situation:

This would be the fourth unit to be installed at the Watts Bar steam plant. It was reinstated in the Authority's construction program by special action of the War Production Board late in 1943 because more power was needed for war production. Earlier, in October 1942, although funds had already been provided by the Congress, work on this unit had been stopped. But when a sudden and substantial increase occurred in the power requirements of War Department projects in this area, the installation of this unit became essential. It happens to be one of the few increases in generating capacity approved by W. P. B. for 1945 for the entire interconnected power system of the east-central region of the United States, and, fortunately, required relatively little manpower or materials because the building and the boiler had been largely finished when completion was deferred in October 1942 by W. P. B. order.

The steam turbine and the generator are now in process of manufacture, and most of the material has been fabricated. Taken as a whole, the fourth unit and appurtenant facilities will be over four-fifths completed by the end of this fiscal year, and will have a rated capacity of 60,000 kilowatts, capable of producing about a half billion kilowatt-hours per year. But it will be useless and idle—incapable of earning any return on the \$4,000,000 already paid out—if it is stricken from this bill, and if receipts are turned into the Treasury and the Authority must depend on appropriated money.

Mr. BURTON. Mr. President, will the Senator yield?

Mr. HILL. Yes; I am glad to yield to the Senator from Ohio.

Mr. BURTON. Will the Senator estimate for us to what extent this project was completed or will be completed by the end of this fiscal year?

Mr. HILL. It will be nearly completed, but it is necessary to have this additional money for final completion.

Mr. BURTON. As I understand, by the end of this fiscal year—

Mr. HILL. Which fiscal year?

Mr. BURTON. The one that expires on June 30 next.

Mr. HILL. No; it would go over into the next fiscal year.

Mr. BURTON. Is the additional money with which we are now dealing required to complete the units?

Mr. HILL. To finish the units; yes.

Mr. BURTON. And if this additional money is not appropriated, then to what extent will the work be left uncompleted?

Mr. HILL. It will be left uncompleted to such an extent that all the power or benefits from it would be denied. In other words, none of the 60,000 kilowatts of power which the project would be capable of producing or would produce would be obtained.

Mr. BURTON. Am I correct in this picture of the matter, that there is about 10 percent more to be done, and that about 90 percent has been done?

Mr. HILL. I think the Senator is approximately correct.

Mr. BURTON. So if the additional amount provided in the bill is not appropriated we might actually lose the benefit of the 90 percent which has been spent, including the critical materials that have gone into it?

Mr. HILL. It would be lost so far as getting any power is concerned. There is no question that it would be lost. In other words, if the committee amendment is adopted one-half billion kilowatt-hours a year would be lost to war production, in the manufacture of rubber, phosphorus, steel, or aluminum—for tanks, ships, planes, smoke screens, and bombs.

Mr. BURTON. May I inquire further if the appropriation with which we are dealing relates to an additional unit or to an original installation?

Mr. HILL. It relates to an additional unit in the plant, and the additional unit would produce one-half billion kilowatt-hours of power a year. If we fail to provide this money we will not get the additional one-half billion kilowatts of power.

Mr. BURTON. And approximately \$4,000,000—is that the figure the Senator is using—would be in the project, but would not be usefully employed?

Mr. HILL. On which there would be no return.

Mr. BURTON. So the Senator's point is that if this item of appropriation were omitted we would not be serving the purpose of economy, but by our failure to proceed with some 10 percent we would be losing the use of some 90 percent of an investment in an additional unit for this plant?

Mr. HILL. The Senator is absolutely correct.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. McKELLAR. May I ask what unit that is?

Mr. HILL. It is the additional unit at the Watts Bar steam plant.

Mr. President, this illustrates one of the dangers of the Appropriations Committee trying to manage this great power project in the Tennessee Valley; in other words, this amendment, if adopted, will mean that this unit cannot come into operation, this power will not be available, and guns, planes, ammunition cannot continue to go out from this river valley to the other valleys of the world where our boys are fighting and dying.

Under the present management of T. V. A. there has been no interruption. In other words, these investments have been used in the wisest and most economical and most efficient way. We have not permitted, as is now proposed, a project on which \$4,000,000 have been expended, to stand idle, thus denying the power which is needed for war production. That is what the amendment suggested by the committee would do.

The committee recommendation, as embodied in the amendment, is an effective answer to those who try to tell us that Congress will always appropriate the money required to carry on the power operations, that the consumers of power need have no fear of dependence on annual appropriations. This is the first time the committee has faced the problems of managing a power system. What is the result? By the very first amendment in the bill the committee stops construction of a system extension urgently required to carry a critical war load.

I am not suggesting any lack of patriotism or concern for war production. I am simply illustrating the fact that the details of a power business in the Tennessee Valley cannot be run from an office in Washington, even if that office is as important as the room of the Committee on Appropriations.

The situation would be almost as bad in peacetime. Suppose, for example, that this unit, instead of being installed to meet increased war requirements, were under construction to meet the expanding power requirements of a city like Chattanooga, Tenn.? Chattanooga is entirely dependent on T. V. A. as its source of power supply. Suppose Chattanooga, happy in an increased population, a more prosperous people, advised the T. V. A. that it was going to require more power for new factories, new homes, new stores. The titular manager of T. V. A. would say: "I will go to Congress and see if we can put in a new unit at Watts Bar." While he came with his figures to prove that such an investment would pay out some of the stores or factories or citizens might make other plans for installations at other locations. But assume that, full of faith in their Government, they waited, and did not seek other locations. And let us assume that the manager made out a good case, and that in due time funds were appropriated to pay the estimated expenses of manufacturing such a unit for the next fiscal year. Contracts would be entered into, not only contracts for power supply, but contracts for building construction, for air conditioning, for the pur-

chase of refrigerators and stoves, the kind of business activity that is good for a city to have. All plans would be made. But then suppose that the next year, when construction was incomplete, as construction is incomplete now at the Watts Bar steam plant, the committee changed its mind, and that funds to complete the unit were not allowed. Can you picture a prosperous and happy area dependent on such a power system, run by such vacillating managers?

There is nothing theoretical about my assumption that the committee might well be variable. This is exactly what has happened. The Watts Bar generating unit was once approved by Congress. That unit is almost completed. It is needed to supply commitments solemnly entered into by an agency of the United States. The unit is needed for power for victory. And now, without any testimony, without technical inquiry or advice, provision for it is stricken from the bill.

I need offer no further proof that the adoption of this amendment would mean the impairment of the T. V. A. power system, that it would halt war production, and would affect adversely the interest of taxpayers all over the country, who would receive no return on their investment. But I have further proof.

Let me cite another example, one directly affecting power-system operation, to prove that these Washington managers in the first year they have proposed to assume the responsibility for running this power system have made a terrible error. Under the committee's recommendations under the committee amendments, the bill contains a limitation of \$600,000 on the construction and purchase of transmission lines and related facilities. I find no word of explanation in the committee report with respect to the method by which this amendment was agreed upon.

Power service can be rendered only by means of transmission lines. Annually, every large transmission system requires replacements, additions, and alterations to provide adequate and reliable service. With the new power capacity at the Kentucky and Fontana Dams, additional transmission facilities are required during the next fiscal year to take that power to the market. Detailed knowledge and engineering skill are needed to determine whether \$600,000, \$1,000,000, \$10,000,000, or any other fixed sum will be required. The men on the job who are operating the system estimated that in order to transmit its power from its generating plants to its customers, a total of \$9,696,591 would be required for transmission lines and related facilities in the fiscal year 1945. The new managers—the committee—decided \$600,000 would be enough, a discrepancy of more than \$9,000,000 for which I find no explanation in the committee report or in the hearings. This limitation actually means that the result of adopting this amendment would be that no transmission facilities at all—not a single mile of them—could be constructed in the fiscal year 1945. For, as it happens, the

\$600,000 is not enough to complete projects already under construction in the current fiscal year.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. McKELLAR. The Senator asked for some newspaper articles or, as he said, something which would give him an inkling as to Mr. Lillenthal's actions. I am now prepared to produce some.

Mr. HILL. Very well.

Mr. McKELLAR. The first article I have found—and I am having others looked up—is taken from the Memphis Commercial Appeal of July 10, 1942:

**T. V. A. CHAIRMAN WARNS OF POLITICAL
THREAT**

KNOXVILLE, TENN., July 9.—Chairman David E. Lillenthal, of the T. V. A., Thursday struck out at what he described as "indications of an effort to infiltrate politics into the municipalities and cooperatives distributing T. V. A. power," declaring:

"The people of the valley must be on guard against the opening of a second front in the battle to make this region the spoils of a narrow and old-fashioned kind of politics."

WASHINGTON FRONT HELD

The Chairman, in an address—

He was referring to a different kind of amendment, the \$4,500 amendment, at that time—

prepared for delivery at a Knoxville Kiwanis luncheon, said the issue of political management versus business management had been before the people in recent months, and added, "That attack has been turned back."

"We have been promised that it will be resumed, and I doubt not it will. But for the present it certainly has failed. The first front—the front at Washington—has been held."

In a second article, this one coming from Chattanooga, a meeting was described. The article reads, in part, as follows:

Responding to Lillenthal's attacks on him and Senator K. D. McKELLAR, Senator STEWART challenged the T. V. A. Director to show that he was more interested in T. V. A. than in the Tennessee Senators, and branded him as a dictator of the giant Federal power project.

Mr. President, those are two—

Mr. HILL. Mr. President, I should like to say to the Senator, if he will permit an interruption, that I am familiar with the speech to which the Senator has referred. It was a speech to which the junior Senator from Tennessee [Mr. STEWART] took exception, and which the junior Senator from Tennessee felt was an attack upon him.

Mr. McKELLAR. The newspaper article said it was an attack upon me, also.

Mr. HILL. Did the newspaper article say that?

Mr. McKELLAR. Yes.

Mr. HILL. Where in the newspaper article is such a statement to be found?

Mr. McKELLAR. I just read it.

Mr. HILL. I did not hear the Senator's name mentioned in the article he read.

Mr. McKELLAR. Yes; the attack was on both of us. My name also was mentioned, and the article was in regard to the attack. That is the way Mr. Lillenthal proceeds. He has an eely, oily, insinuating, ingratiating way of attacking.

His attack is not an open one. He has not the manhood to make an open attack. It is always an eely, oily, ingratiating attack. In my judgment it is well known to every informed person in Tennessee that he has bitterly fought me from the time he went into office. The Senator asked for the documents, and I have furnished them to him. I can find others as well.

Mr. HILL. I am familiar with that particular speech. Both clippings refer to that one particular speech. I have it before me. It was made on July 9, 1942, before the Knoxville Kiwanis Club, at the Andrew Johnson Hotel in Knoxville, Tenn. That is the speech which the junior Senator from Tennessee [Mr. STEWART] felt was an attack on him, and he so stated. If the Senator can find any other speeches, I wish he would do so, and bring them to the attention of the Senate. This particular speech was made on July 9, 1942. The junior Senator from Tennessee felt that it was an attack on him, and so construed it. But I do not find anything in the speech which constitutes a particular attack on the senior Senator from Tennessee. If he has anything which contains a particular attack on him, I hope he will bring it to the attention of the Senate.

Mr. BURTON. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. BURTON. I wish to ask a question on the subject of transmission lines. The Senator was discussing the proposed committee amendment, which would limit to the specific sum of \$600,000 expenditures for the construction or purchase of transmission lines. Of course, transmission lines are the heart and veins of any electrical system.

Mr. HILL. They are the arterial system.

Mr. BURTON. Did I correctly understand the Senator to indicate that \$600,000 might not be sufficient to maintain the safety of the system in the event of a disaster calling for reconstruction, or does this relate to new construction?

Mr. HILL. I stated that \$600,000 would not permit a single mile of new line to be constructed, and would not even finish the construction now under way.

Mr. BURTON. But is it the interpretation of the Senator that this would not limit expenditures for reconstruction or replacement of lines which might be destroyed by tornadoes or something of that sort? A disaster of that kind is a vital factor to the whole community, and such damage is very difficult to estimate. I wondered what provision was made for it.

Mr. HILL. If the disaster should occur early in the fiscal year, there might be sufficient funds. If it should occur at a later date, there might not be sufficient funds if the Authority had to rely entirely on appropriations from the Congress.

Mr. BURTON. That is the point which I wished to reach.

Mr. HILL. That is one of the values of the right to expend their receipts, because the receipts are coming in all the time, and if emergencies occur they have

the receipts available to meet the emergencies.

Mr. BURTON. I can see that there might be some reason for limitations as to new lines, based upon the facts of the case, but to establish an arbitrary figure of \$600,000 for reconstruction of lines might involve serious danger to the community.

Mr. HILL. What would be the result of the limitation of \$600,000? Fontana Dam, one of the largest dams constructed, could not be connected to the system. Not a single kilowatt of the 135,000 kilowatts to be installed at Fontana for operation in 1945 would be available to support the war load that capacity is being installed to serve. This dam will have cost the taxpayers a total of about \$70,000,000. Under this amendment limiting transmission-line construction to \$600,000 it could not be put to use and there would not be a dollar in return. Similarly, an additional line to make power available from Kentucky Dam could not be built. This is the kind of cut the committee calls a saving. In other words, this power could not go into the T. V. A. system. There would be no money to build a transmission line to take the power into the T. V. A. system.

Mr. BURTON. Do I correctly understand that this item might fall into the same category as the preceding item, that is, by limiting transmission-line construction to \$600,000, might we be depriving ourselves of the beneficial use of properties which we have and for which we have expended a large amount of money, which would not be economy, but the opposite?

Mr. HILL. The Senator is exactly correct.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. AIKEN. If the money were not available to build a transmission line from the Fontana Dam to connect it with the T. V. A. system, would there be any other market for the power?

Mr. HILL. No; there would be no other market. If that power could not go into the system, there would be no market. I take it that no one would build with his own funds a power line all the way from North Carolina to the Fontana Dam to obtain that power. The power would go to waste.

Mr. AIKEN. I mean some private utility.

Mr. HILL. There is no private utility operating in that field which could take it.

Mr. President, if such decisions as these represent the quality of managerial competence to be provided for this system, I fear that power consumers in the Tennessee Valley will find little to prefer in management from Washington, over the system of management in New York, a scheme they enthusiastically abandoned. The stockholders, taxpayers from Maine to California, should revolt against such gross mismanagement of their investment.

Let me cite another example of the carefree spirit in which in its remote headquarters the Senate committee has slashed this appropriation.

Third. Carry out the program approved by the Senate committee, but providing total funds \$40,000,000 short of that necessary to do so.

Two years ago the question before us now was debated. Then, when I argued as I argue now, that power service would be jeopardized under such a system, I was reproached for my misgivings. A long history of generous treatment was cited as evidence of the fairness with which Congress would appropriate to meet the needs of the people of the Southeast. We need discuss history no longer to see what the realities are. Just examine the text of this bill. By a series of amendments this bill leaves T. V. A. short of funds by at least \$40,000,000 to carry out the program approved in the bill.

In line 16, on page 52, the committee proposes to make a direct appropriation of \$76,981,872, supposed to be sufficient to finance the program. The bill as it passed the House appropriated no new money. It reappropriated the unexpended balance, which, together with estimated receipts, was expected to be adequate to cover all outstanding commitments as of June 30, 1944, and to finance the approved program of T. V. A. for the fiscal year 1945. That program, approved on the basis of detailed examination, was estimated to require \$79,134,882 for fiscal year 1945. Receipts were estimated to total \$68,528,882. The unobligated balance to be carried over from 1944 was estimated to be \$19,262,298. That gave a total of \$87,791,180, enough to finance all projects and operations of the Authority now underway, and to leave a balance of \$8,656,298 which would be on hand in the event resumption of work were ordered on war projects authorized by Congress but ordered stopped by W. P. B. Chief among these are the Watauga and South Holston Dams and the phosphorus plant at Mobile. Unless work on these authorized projects were ordered resumed, the money would not be expended.

In place of that accustomed procedure, the Senate committee, proposing to deprive T. V. A. both of its receipts in 1945 and its unexpended balance, offers the figure of \$76,981,873 as adequate to meet the year's total fund requirements. This amount is inadequate by approximately \$40,000,000 to finance the expenses of T. V. A. even as approved by the Senate committee. The trouble is this: In making its estimate, the committee ignored some \$30,000,000 of commitments outstanding on June 30 of this year by confusing the T. V. A. estimated unobligated balance with the unexpended balance. They are very different things. These are things managers should be familiar with.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. McKELLAR. The bill as it passed the House approves the expenditure of \$89,000,000. The Senate version approves an expenditure of \$76,000,000. That is a difference of \$13,000,000. How in the name of heaven can the Senator claim that the Senate committee provision is \$40,000,000 short?

Mr. HILL. The House bill approves expenditures of \$89,000,000 during the next fiscal year, which is the fiscal year beginning July 1, next, but also makes provision to pay the commitments, which the Senate committee evidently overlooked. It did not distinguish between an unobligated balance and an unexpended balance. The T. V. A. might have \$100,000,000 in its fund as an unexpended balance; but if it had commitments up to \$75,000,000 against that fund, it would really have an unobligated balance of only \$25,000,000. That is the difference.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. McKELLAR. The Senator has just admitted that of the \$89,000,000, eight-million-dollars-plus could be put into a reserve fund.

Mr. HILL. No; not to be put into a reserve fund. It was allowed by the House in order to provide funds for the completion of the Watauga Dam, the South Holston Dam, and the phosphate plant at Mobile, Ala., if the War Production Board should approve the completion of those two dams and the construction of the phosphorus plant at Mobile.

All the money proposed to be appropriated is needed to finance the program approved by the Senate committee for 1945. In fact, the amount provided is still short of that required to meet obligations approved in the bill as amended by the Senate committee, because no funds are provided for construction of South Holston, Watauga, or the Mobile plant, although construction is authorized. This leaves nothing to meet outstanding commitments against 1944 funds, totaling approximately \$30,000,000.

That is where the rub comes. There is no provision for the commitments which have been made and which, of course, the T. V. A. must pay.

Therefore by the failure to provide funds for these approved projects, and by failure to understand the difference between unobligated and unexpended balance, what is the result? T. V. A., a war agency, is left somewhere between \$30,000,000 and \$40,000,000 short of being able to do the very work the Senate committee approves.

POWER FOR WAR PRODUCTION IN THE TENNESSEE VALLEY WILL BE SHORT IN 1945 UNDER THE COMMITTEE AMENDMENTS

The new Washington managers were not finished when they ordered work stopped on the fourth unit at Watts Bar steam plant, a unit for which Congress has already appropriated funds, which W. P. B. has ordered installed, which will be almost completed by the 1st of July, and the production of which is already committed to support war loads, and which, without this action, would soon be on its way to paying out the \$4,000,000 already invested. They were not content when they prohibited the construction of any transmission lines in 1945, thereby keeping power from Fontana and Kentucky dams from going out to increase war production. By these two

amendments the committee proudly claims to have saved \$1,000,000. What they have done is to remove 255,000 kilowatts from war production in 1945, and they have lessened estimated income for that year by approximately \$1,500,000, an item of interest to taxpayers. They were not even satisfied when they left the whole T. V. A., of which the power system is a part, short by \$40,000,000 of funds to do the work they themselves directed. That was only a beginning.

With these major items decided, the committee felt free to go into details. They decided how many automobiles T. V. A. could economically use and how much maintenance should cost, without any regard to the number that might be required for this revenue-producing operation. They decided just when the surplus should be disposed of without any regard to what might be the most profitable place of disposal. They decided that T. V. A. should no longer advertise to secure workmen. Nearby power systems can. All war industries can. They are under private management. But, according to this managerial decision, there is no way in the world that T. V. A. can get word to the general public if linemen, switchboard operators, transmission crews are needed. Yet this is war. That system must be kept going in a manpower shortage.

Mr. President, I am not impressed with the sagacity of these newly self-appointed managers of our power system. I am against the unnecessary centralization of power in Washington. I think that this is just one more example of the ineptness of decisions reached far away from the people those decisions affect.

The present management of T. V. A. is down in the valley, close to the people it serves. It has been an honest, businesslike, efficient management, and it should be permitted to continue. The people do not want this legislation.

CENTENNIAL OF FIRST TELEGRAPH MESSAGE

Mr. WHEELER. Mr. President, for the Senator from Maryland [Mr. TYPINGS], from the Committee to Audit and Control the Contingent Expenses of the Senate, I report favorably, without amendment, House Concurrent Resolution 72 and ask unanimous consent for its immediate consideration. I may say that the concurrent resolution, which was submitted in the House by Representative BULWINKLE, was adopted by the House of Representatives unanimously, and a similar concurrent resolution (S. Con. Res. 39) submitted by me and which is identical with the House concurrent resolution, has been reported today from the Committee on the Library. The concurrent resolution provides for the creation of a joint congressional committee to secure an appropriate plaque or other suitable memorial to be placed in or near the room in the Capitol from which the first telegraph message was dispatched and to arrange for appropriate exercises to be held on May 24, 1944. There is a preamble to the resolution which sets forth certain interesting facts in connection with the invention of the telegraph.

I may say that I have spoken to the leader on the other side of the Chamber, and I hope there will be no objection to the consideration of the resolution.

The PRESIDING OFFICER. The resolution will be read.

The legislative clerk read the concurrent resolution (H. Con. Res. 72) as follows:

Whereas Samuel F. B. Morse, a distinguished American artist, invented the first practical electromagnetic telegraph in the winter of 1835-36, and obtained an appropriation from the Congress of the United States in 1843 for the construction of an experimental telegraph line between Baltimore, Md., and Washington, D. C.; and

Whereas the first telegram, "What hath God wrought?", was sent over this line from the old Supreme Court room in the Capitol to Baltimore on May 24, 1844; and

Whereas the sending of the first telegram marked the beginning of the telegraph industry, which has been indispensable to the country in four wars and, by linking all sections, has implemented the traditional motto, "E Pluribus Unum"; and

Whereas the telegraph was the first speedy means of communication connecting the nations of the world, bringing all peoples closer together, and promoting the dissemination of ideas as well as international trade; and

Whereas the telegraph was the forerunner of our entire system of electrical communications, including the telephone, the radio, and television: Therefore be it

Resolved by the House of Representatives (the Senate concurring), That there is hereby created a joint congressional committee to be composed of five Members of the Senate to be appointed by the President of the Senate, and five Members of the House of Representatives to be appointed by the Speaker of the House of Representatives. Such committee shall secure an appropriate plaque or other suitable memorial to be placed in or near the room in the Capitol from which the first telegram message was dispatched, and shall arrange for appropriate exercises, to be held on May 24, 1944, for the purpose of placing such plaque or other memorial and commemorating the centennial of the telegraph. The cost of carrying out the provisions of this concurrent resolution, including the cost of such plaque or other memorial, not to exceed \$4,000, shall be paid one-half from the contingent fund of the House and one-half from the contingent fund of the Senate.

The PRESIDING OFFICER. Is there objection to the present consideration of the concurrent resolution?

Mr. WHITE. Mr. President, reserving the right to object, the Senator from Montana was good enough to speak to me about the matter, and so far as I know there is no objection to the concurrent resolution. It seems to me altogether appropriate that there should be exercises marking the centennial date of the use of the telegraph, and I join with the Senator from Montana in asking for the consideration and adoption of the concurrent resolution.

Mr. WHEELER. I thank the Senator.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the concurrent resolution was considered and agreed to.

The preamble was agreed to.

EXECUTIVE SESSION

Mr. McKELLAR. Mr. President, it is apparent that we cannot complete consideration of the pending bill tonight.

If there is nothing further at this time, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. GEORGE, from the Committee on Finance:

Sundry officers for promotion in the Regular Corps of the United States Public Health Service.

By Mr. WALSH of Massachusetts, from the Committee on Naval Affairs:

Capt. Robert W. Hayler, United States Navy, to be a rear admiral in the Navy, for temporary service, to rank from the 16th day of January 1943;

Capt. Allan E. Smith, United States Navy, to be a rear admiral in the Navy, for temporary service, to rank from the 5th day of November 1942;

Capt. Thomas L. Sprague, United States Navy, to be a rear admiral in the Navy, for temporary service, to rank from the 16th day of April 1943;

Sundry chief warrant officers and warrant officers to be lieutenants in the Navy, to rank from January 14, 1944;

Sundry chief warrant officers to be lieutenants (junior grade) in the Navy, to rank from January 14, 1944;

Several warrant officers to be ensigns in the Navy, to rank from January 14, 1944;

Sundry chief pay clerks to be passed assistant paymasters in the Navy, with the rank of lieutenant, to rank from January 14, 1944;

Chief Pay Clerk Edward J. Hagen to be an assistant paymaster in the Navy, with the rank of lieutenant (junior grade), to rank from January 14, 1944;

Sundry pay clerks to be assistant paymasters in the Navy, with the rank of lieutenant (junior grade), to rank from January 14, 1944;

Several acting pay clerks to be assistant paymasters in the Navy, with the rank of lieutenant (junior grade), to rank from January 14, 1944;

Several officers of the Naval Reserve to be ensigns in the Navy;

Asst. Surg. Delphos O. Coffman to be an assistant surgeon in the Navy, with the rank of lieutenant (junior grade), to rank from September 8, 1939, to correct the date of rank as previously nominated and confirmed; and

Sundry officers of the Naval Reserve, to be assistant paymasters in the Navy, with the rank of ensign.

By Mr. McKELLAR, from the Committee on Post Offices and Post Roads:

Several postmasters.

By Mr. TYDINGS, from the Committee on Territories and Insular Affairs:

Ernest Gruening, of New York, to be Governor of the Territory of Alaska (reappointment).

The PRESIDING OFFICER. (Mr. TUNNELL in the chair). If there be no further reports of committees, the clerk will state the nominations on the calendar.

THE JUDICIARY

The legislative clerk proceeded to read sundry nominations in the judiciary.

Mr. McKELLAR. Mr. President, I ask unanimous consent that the judiciary nominations be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations in the judiciary are confirmed en bloc.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. I ask unanimous consent that the postmaster nominations be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations of postmasters are confirmed en bloc.

THE ARMY

The legislative clerk proceeded to read sundry nominations in the Army.

Mr. McKELLAR. I ask unanimous consent that the nominations in the Army be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations in the Army are confirmed en bloc.

That concludes the calendar.

Mr. McKELLAR. I ask unanimous consent that the President be notified of all nominations confirmed today.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

RECESS

Mr. McKELLAR. As in legislative session, I move that the Senate take a recess until 12 o'clock noon, tomorrow.

The motion was agreed to; and (at 4 o'clock and 58 minutes p. m.) the Senate took a recess until tomorrow, Wednesday, March 22, 1944, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate March 21 (legislative day of February 7), 1944:

THE JUDICIARY

UNITED STATES DISTRICT JUDGE

Henry N. Graven, to be United States district judge for the northern district of Iowa.

UNITED STATES ATTORNEYS

John J. Morris, Jr. to be United States attorney for the district of Delaware.

Harry H. Holt, Jr. to be United States attorney for the eastern district of Virginia.

UNITED STATES MARSHALS

Raymond E. Thomason to be United States marshal for the northern district of Alabama.

Roulhac Gewin to be United States marshal for the southern district of Alabama.

Robert W. Rabb to be United States marshal for the middle district of Pennsylvania.

APPOINTMENT, BY TRANSFER, IN THE REGULAR ARMY OF THE UNITED STATES

First Lt. Burnis Mayo Kelly, to Signal Corps.
First Lt. Vernon Price Mock, to Infantry.
First Lt. Thomas Henry Muller, to Infantry.
Second Lt. Benjamin Willis Mills, Jr., to Infantry.

First Lt. William Bailey Crum, to Air Corps.
First Lt. Newton Elder James, to Air Corps.
First Lt. Robert Belden Kuhn, to Air Corps.
First Lt. Robert Morris, to Air Corps.
First Lt. Arthur Tillman Williams 3d, to Air Corps.

Second Lt. Jerald Morris Davies, to Air Corps.

Second Lt. James Edwin Foley, to Air Corps.
 Second Lt. Thomas Terrell Jackson, to Air Corps.
 Second Lt. Martin Cadenhead McWilliams, to Air Corps.
 Second Lt. Irving Richard Perkin, to Air Corps.
 Second Lt. Boone Seegers, to Air Corps.
 Second Lt. James McIndoe Winterbottom, to Air Corps.

PROMOTIONS IN THE REGULAR ARMY

To be colonels, with rank from December 1, 1943

Hume Peabody, Air Corps.
 Martin John O'Brien, Coast Artillery Corps, subject to examination required by law.
 Joseph Cumming Haw, Coast Artillery Corps.
 Earl Larue Naiden, Air Corps.
 Henry McElderry Pendleton, Cavalry.
 Iverson Brooks Summers, Adjutant General's Department, subject to examination required by law.
 Edmund DeTreville Ellis, Quartermaster Corps, subject to examination required by law.

To be majors with rank from January 22, 1944

Earl Clinton Robbins, Air Corps.
 Andrew Joseph Kerwin Malone, Air Corps.
 Russell Keillor, Air Corps.
 Ernest Harold Lawson, Air Corps.
 John Edward Bodle, Air Corps.
 Russell Scott, Air Corps.
 Burton Murdock Hovey, Jr., Air Corps.

To be majors with rank from January 23, 1944

Dale Davis Fisher, Air Corps.
 Henry Welsbrod Dorr, Air Corps.
 Carlisle Iverson Ferris, Air Corps.
 Elwood Richard Quesada, Air Corps.
 Willard Roland Wolfenbarger, Air Corps.

MEDICAL CORPS

To be colonels

Martin Robert Reiber
 Forrest Ralph Ostrander

To be captains

Matthew Anthony Surrell, Jr.
 Donald Withers Lyddon, subject to examination required by law.
 Orland Stenberg Olsen, subject to examination required by law.

PHARMACY CORPS

To be a colonel

William Harvey Kernan

Chaplains

Max Walker Foresman to be a captain.

To be colonels with rank from January 1, 1944

Robert William Strong, Cavalry.
 Clifford Randall Jones, Coast Artillery Corps.
 John Beugnot Wogan, Field Artillery.
 Clesen Henry Tenney, Coast Artillery Corps.
 Frank Edwin Emery, Jr., Coast Artillery Corps.

MEDICAL CORPS

To be colonels

Joseph Francis Gallagher
 John Murray Welch
 Harry Aloysius Bishop
 Luther Remi Moore

To be captains

Percy Hall Sutley
 Otto Albert Wurl
 Raymond Lancing Pendleton

DENTAL CORPS

To be colonels

Thomas Floyd Davis
 John Nelson White
 William Ferdinand Scheumann
 Campbell Hopson Glascock
 William Frederic Wieck

PHARMACY CORPS

To be captains

George Henry Wilson, subject to examination required by law.
 Ernest William Bye, subject to examination required by law.
 John Valdo Painter, subject to examination required by law.

CHAPLAINS

Frank Pearson MacKenzie to be a colonel.

To be captains, United States Army

James Joseph McMahon
 Harold Francis Donovan

To be colonels with rank from February 1, 1944

Edward Caswell Wallington, Chemical Warfare Service.
 Carl Ernest Hocker, Coast Artillery Corps, subject to examination required by law.
 John William Leonard, Infantry.
 Richmond Trumbull Gibson, Coast Artillery Corps.
 John McDonald Thompson, Ordnance Department.
 James Alward Van Fleet, Infantry.
 Edward Gill Sherburne, Infantry.
 Walter Wood Hess, Jr., Field Artillery.
 Michael Frank Davis, Air Corps.
 John Fuller Davis, Cavalry.

MEDICAL CORPS

To be colonels

Carl Randolph Mitchell
 Michael Gerard Healy
 Martin Fred DuFrenne
 Philip Lewis Cook
 Charles Fremont Snell

To be lieutenant colonels

Howland Allan Gibson
 Edward John Kallus, subject to examination required by law.
 Otis Blaine Schreuder

To be major

Robert Purcell Rea

To be captains

Alf Torp Haerem, subject to examination required by law.
 Stanley David Burton

DENTAL CORPS

Warren Charles Caldwell to be a colonel.
 James Melvin Epperly to be a lieutenant colonel.

CHAPLAINS

Philip Francis Coholan to be a colonel.

To be captains

Marvin Earl Utter
 Loren Thomas Jenks
 Ralph Henry Pugh
 James Clarke Griffin
 John Bartholomew Day
 Charles Edwin Brown, Jr.
 Steve Pettie Gaskins, Jr.
 Gervase George Sherwood, subject to examination required by law.

POSTMASTERS

DELAWARE

Howard R. Elliott, Laurel.
 Albert I. Stafford, Middletown.

IDAHO

Madge D. Becker, Hayden Lake.

ILLINOIS

Ralph Laverne Douglass, Adair.
 William G. Richardson, Astoria.
 John H. Keest, Jr., Middletown.

MAINE

Henry L. Holden, Jackman.

MINNESOTA

Evelyn E. Boyer, Beltrami.
 Edwin O. Benthagen, Borup.
 Judd R. Grout, Elbow Lake.
 Aida B. New, Floodwood.

Joseph T. Samuelson, Grasston.
 Marvin T. Giles, Holland.
 Edward A. Roser, Kandiyohi.
 Ida A. Gonsolin, Kelly Lake.
 Alice Gillespie, Kilkenny.
 Clarence D. Zillgitt, Lake City.
 Earl D. Wills, Nassau.
 Arno C. Jenner, Nerstrand.
 Clarence I. Jonason, North Branch.
 Harry S. Matteson, Olivia.
 Emma V. Berglund, Pennock.
 Herman O. Hoganson, Perley.
 Henry C. Moe, Ranier.
 Frank C. Erkel, Rockford.
 Marguerite Linquist, Springpark.
 Frank B. Clarine, Tamarack.

MISSISSIPPI

Reid R. Williams, Arcola.
 Sidney B. Spencer, Bogue Chitto.
 William C. Sharbrough, Holly Bluff.
 Nell T. Liddell, Learned.
 Helen Persell, Madison Station.
 Harriett G. Shirley, Money.
 Judson S. Defoore, Sidon.

MONTANA

Bernard R. Carey, Crow Agency.
 Orville C. Hanson, Gildford.
 John C. Abrahamson, Roberts.
 Gertrude M. Neese, Savage.

NEBRASKA

Milared I. Onstot, Riverton.
 J. Wilbur Brawner, Wilcox.

PENNSYLVANIA

Frank X. Harmuth, Bridgeville.
 Mary E. Angley, Glen Olden.
 Francis J. Plocinik, Gilberton.
 Dorothy K. Eagen, Jermyrn.
 Leo A. Clavin, North East.
 Michael V. McFadden, Summit Hill.
 Emma R. Eakins, Wynnewood.

VIRGINIA

Charles F. Simpson, Arlington.
 William C. Pulman, Fort Belvoir.
 Ruth O. Griffin, Newsoms.
 Alice L. Paxton, Oceana.
 Robert M. Bradshaw, Rice.
 Margaret V. Reid, Triangle.

HOUSE OF REPRESENTATIVES

TUESDAY, MARCH 21, 1944

The House met at 12 o'clock noon, and was called to order by the Speaker.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

We praise Thee, O Saviour of the world, that upon these shores where so often the shadows cling Thou hast a message for mankind. As we emerge from conflicting doubts, O give us the evidence of the aggressive movement that the sad earth is rising to something higher for which the human heart hungers and throbs. Chafing under the failure of our dependence on Thee, we pray that we may be ever conscious of our ignorance and may we seek to know Thy way and be filled with the patience and forbearance as exemplified by our Saviour as He sought to emancipate all struggling spirits.

O God, at times peace and security are endangered by the rush of the elements of disunity and misunderstanding. This sinful world needs a plain way out of the depths of its desolation; O give us a defiant faith that shall hurl its assurance into the face of every trial, every defeat,